



Daily Report

East Europe

FBIS-EEU-95-049
Tuesday
14 March 1995

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Daily Report

East Europe

FBIS-EEU-95-049

CONTENTS

14 March 1995

NOTICE TO READERS: All material in this volume previously disseminated in electronic form.

INTERNATIONAL AFFAIRS

NATO Centers On Logistics of Bosnian Pullout [AFP]	1
Albanian President Addressed UN Meeting 12 Mar [Tirana Radio]	1

ALBANIA

Greek Foreign Minister Arrives on 48-Hour Visit [AFP]	2
Talks 'Extremely Positive' [Nicosia Radio]	2
President Berisha Addresses Party Conference [RILINDJA DEMOKRATIKE 7 Mar]	2
Berisha on Constitution, Selami Ousting [Tirana Radio]	11

BULGARIA

Cabinet Approves 5-Year Russian Oil, Gas Deal [24 CHASA 10 Mar]	18
Funds Shortage Threatens Air Force's Existence [TRUD 8 Mar]	18
Confrontation Between Cabinet, BSP Viewed [DUMA 8 Mar]	19

CZECH REPUBLIC

Klaus on ODS, Benes Decrees, Meciar Meeting [LIDOVE NOVINY 10 Mar]	21
--	----

SLOVAKIA

Meciar Receives Russian Security Council Secretary [Bratislava Radio]	22
Foreign Ministry Protests Iranian 'Distortion' [Bratislava Radio]	22
Commentary on Havel's 'Certain Concern' [SLOVENSKA REPUBLIKA 10 Mar]	22
Meciar Seen Using Budget Cuts as Punishment [NARODNA OBRODA 9 Mar]	22
Colonel Reports on Army Development, Officers [SLOVENSKA REPUBLIKA 10 Mar]	23
TU Leader on Postelection Civil Service 'Purges' [SME 10 Mar]	23

HUNGARY

Horn Explains Tough Economic Policy [Budapest Radio]	24
Kovacs on Basic Treaty, Relations With Romania [Budapest TV]	25
Romanian Ambassador Views Bilateral Relations [UJ MAGYARORSZAG 13 Mar]	25
Trade Unions Demand Details of Austerity Package [Budapest Radio]	26

POLAND

Yegor Gaydar: Russia Cannot Veto NATO Growth [PAP]	27
Head Adviser on Strategy for Poland Implementation [RZECZPOSPOLITA 14 Mar]	27
Prime Minister Outlines Foreign Policy Line [PAP]	28
Meets Foreign Journalists [PAP]	28
Government Press Spokeswoman on Information Policy [Warsaw Radio]	29
Coalition Problems, Pawlak's Strategy Viewed [GAZETA SWIATECZNA 11-12 Mar]	29
Areas of Possible Conflict in Cabinet Analyzed [RZECZPOSPOLITA 11-12 Mar]	30
Commentary Notes Lack of Optimism for Government [ZYCIE WARSZAWY 12 Mar]	32
Oleksy Wants To Keep Inflation at 20 Percent [PAP]	33
Freedom Union Debates Program, Leadership Issues [RZECZPOSPOLITA 13 Mar]	33

ROMANIA

Police Deployed for Hungarian 15 March Holiday [Budapest Radio]	35
Funar Bans Celebration [Budapest Radio]	35
Funar Overruled [Budapest Radio]	35
Funar Calls Hungarian Draft Treaty 'Betrayal' [CURIERUL NATIONAL 10 Mar]	35
Pushes for Conflict [ROMANIA LIBERA 8 Mar]	35
Minister Says Bomb Threats 'False Alarms' [Bucharest Radio]	36

BOSNIA-HERZEGOVINA

Akashi Returns From Pale Without Results [Sarajevo Radio]	37
Kordic Warns Izetbegovic About Missing General [TANJUG]	37
Muslims Have Evidence of Infighting Among Serbs [Zagreb Radio]	37
Granic Views Current Croatian Role in Bosnia [OSLOBODJENJE 9 Mar]	37
UN: Sarajevo Airlift Suspended Until 16 March [AFP]	39
Karadzic Will Not Accept Another Truce [BORBA 15 Feb]	40
Croats, Muslims Engage in Ethnic Cleansing [BORBA 16 Feb]	40

CROATIA

Martić: UNPROFOR Reduction Not a Problem [TANJUG]	41
Babić on UN Mandate [SRNA]	41
Tudjman's Tactical 'Game' With UN Viewed [TANJUG]	41
Suharto Moots 'New Mechanism' To Settle Crisis [Jakarta ANTARA]	42
Valentic: EU Must Encourage Serbian Recognition [Berlin DDP/ADN]	42
'Covert Reasons' Revealed for Relocating Airport [NASA BORBA 13 Mar]	42
SNS: Ethnic Cleansing Continues in Country [BORBA 16 Feb]	43
Martić: FRY, Serbia Will Defend Krajina [BORBA 15 Feb]	43
Tension Increases at Border With Montenegro [BORBA 15 Feb]	44

THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA

Gligorov Addresses Copenhagen Social Summit [NOVA MAKEDONIJA 13 Mar]	45
Commentary: U.S. Trying To 'Provoke Upheaval' [DNEVNIK 9 Mar]	46
Military Delegation Departs for Visit to Turkey [TANJUG]	47
Kumanovo Tense After Graveyard Desecrations [Belgrade Radio]	47
Full Diplomatic Relations Established With Iran [MIC]	47
Social Tension Increases With Privatization [BORBA 16 Feb]	47

YUGOSLAVIA

Federal

Seselj: Tudjman Deal on Borders 'Another Swindle' [SRNA]	49
Envoy to UN: World Breached International Law [TANJUG]	49
Jovanovic's Visit to Italy Will Boost Ties [TANJUG]	49
Drug-Trafficking Through Country Decreasing [TANJUG]	50
Slovene National Party Proposes Closer Relations [POLITIKA 16 Feb]	50
Professor Markovic Discusses Balkans Union [POLITIKA 4 Feb]	51
Government Steps To Repress Gray Economy [BORBA 15 Feb]	51
Professor Comments on Threat of Islam to World [BORBA 15 Feb]	52

Serbia

Milosevic Meets With RSK's Mikelic, Babić [Zagreb Radio]	53
Associations Send Volunteer Units to Krajina [NASA BORBA 11-12 Mar]	54
County Seeks Means To Retain Professionals [BORBA 16 Feb]	54

Kosovo

Tito's Formula Proposed as Solution to Situation	[BORBA 15 Feb]	54
--	----------------	----

Vojvodina

Vojvodina Hungarians Amend Autonomy Concept	[NEPSZABADSAG 13 Mar]	55
---	-----------------------	----

NATO Centers On Logistics of Bosnian Pullout
AU1303180795 Paris AFP in English 1737 GMT 13 Mar 95

[Report by Jacques Charmelot: "UN, Relieved Over Croatia Decision, Focuses on Bosnia Pull-Out"]

[FBIS Transcribed Text] Paris, March 13 (AFP)—Western military leaders expressed relief Monday [13 March] that Croatia has allowed UN peacekeepers to remain, admitting they were ill-prepared for an evacuation and concerned about a possible withdrawal from Bosnia.

Now they can concentrate on the blueprint for that latter evacuation, which could follow a fresh outbreak of hostilities when the four-month truce in Bosnia ends on April 30.

Senior officers said the idea of having to cover the evacuation of some 12,000 United Nations troops from Croatia against hostile Serb reaction had created huge problems for a NATO strategy focused on planning a much larger withdrawal of 24,000 troops from neighbouring Bosnia.

Even before Croatian President Franjo Tudjman's weekend announcement that he would allow about 5,000 UN personnel to stay on Croatian territory, senior NATO officers had admitted privately that they would have a struggle to bring the troops out.

"We need more time. We need decisions taken in time. We don't want to be caught short," an American officer had said.

The military strategists on Monday were able to get back down to working on what they had always thought would be more likely: a possible withdrawal from Bosnia.

The NATO contingency plan for a pull-out in the "worst-case scenario" is contained in a 1,500-page document known as 40-104, which contains a further 500 pages of annexes.

Details are shrouded in secrecy but the contingency plan is based on five principles, without which U.S. troops would not participate in an operation requiring the approval of Congress if American soldiers are deployed on the ground.

The mission must be clear, with a clear political mandate, a unified command, the same rules of engagement for all units, and troops ready and well-trained, according to a U.S. officer in Brussels.

Admiral Leighton Smith, commander of NATO's southern sector, would run the operation, assisted by

General Bernard Janvier, commander of the United Nations Protection Force (UNPROFOR) in former Yugoslavia, according to the blueprint.

Some UN contingents, such as the French battalions in Sarajevo, would largely cover their own retreat, abandoning their blue berets and turning into fighting units once again.

Other parts of the operation would be more complicated. The UN, for example, would have to remove 1,300 armoured vehicles, 5,000 cars and lorries, and some 9,000 containers carrying various equipment.

The number of soldiers required to cover this evacuation operation, including combat units within the UN peace-keeping force, would be anything from 20,000 to 60,000 and it could take up to six months, depending on the political context and how much hostility they faced.

NATO is prepared for hostage-taking and intervention from civilians: "We are ready to stand up to anybody interfering with the withdrawal," said one U.S. attache at NATO regional headquarters in Naples.

One major obstacle remains, however: the ability of the UN to pay for the operation.

Albanian President Addressed UN Meeting
12 Mar

LD1303202495 Tirana Radio Tirana in English 1900 GMT 13 Mar 95

[FBIS Transcribed Excerpt] The international conference on social development organized by the UNO concluded Sunday [12 March] its proceedings in Copenhagen, Denmark. Albanian President Sali Berisha delivered his speech during the last session. He focused mainly on the difficulties large transformations are encountering in Albania. Social problems, he pointed out, are not only inherited from the past, but unfortunately new phenomena have cropped up during the transition period. He made mention of psychological barriers, financial, monetary and credit barriers, and the big contrast between our country and developed ones. Concerning the social problems in Albania, Berisha underlined that the war ghost in the Balkanic region discourages development. He pointed out that the respect of the embargo from the poorest European state hinders the fragile economy of Albania, causing the losses worth hundreds of millions of dollars. The aid given by the European countries Berisha considered as very large but insufficient. That is why, according to him, their further increase and the quickening of integrating processes is very important, helping solution of our social problems. [passage omitted]

Greek Foreign Minister Arrives on 48-Hour Visit
AU1303145395 Paris AFP in English 1400 GMT 13 Mar 95

[FBIS Transcribed Text] Tirana, March 13 (AFP)—Greek Foreign Minister Carolos Papoulias arrived here Monday at the start of a 48-hour visit which Albania hopes will mend the fences between the two neighbours after nearly a year of discord.

His Albanian counterpart Alfred Serreqi, who met Papoulias at Tirana airport, told AFP: "We think this visit will create the necessary conditions for normal development of relations between Albania and Greece and help to install a climate of confidence."

The talks—covering economic relations, ending visa requirements for Greek businessmen investing in Albania, and the situation of 300,000 Albanians who fled their country's previous communist regime for Greece—would be important for the whole Balkans, he said.

Papoulias, who is due to hold talks with Albanian President Sali Berisha and Prime Minister Alexandre Meksi on Tuesday, as well as meeting leaders of Albania's ethnic Greek minority, made no comments at the airport.

Since Papoulias' last visit to Tirana, in November 1993, relations have gone downhill, notably following the arrest in April of five leaders of Albania's Greek minority in the wake of an attack on an Albanian military barracks. Tirana accused a "Greek commando" of responsibility, but Athens denied any involvement. When the five were given jail sentences of between six and eight years Greece retaliated by expelling tens of thousands of allegedly illegal Albanian immigrants.

Athens also blocked until the end of November the granting of European Union aid to Albania totalling some \$20 million.

Talks 'Extremely Positive'

NC1303211095 Nicosia Cyprus Broadcasting Corporation Radio Network in Greek 2000 GMT 13 Mar 95

[FBIS Translated Text] Greek sources describe as extremely positive the results of the meeting in Tirana between Greek Foreign Minister Karolos Papoulias and his Albanian counterpart Alfred Serreqi. The two ministers had a private meeting for approximately half an hour and then the talks were expanded with the participation of other officials.

According to Greek sources, the Albanian foreign minister assured Mr. Papoulias that the question of granting a visa to Archbishop Anastasios of Tirana and All Albania will soon be resolved. With regard to Mr. Papoulias's request to resolve the educational issue of the Greek minority, Mr. Serreqi promised that there will

be progress with the enactment of new legislation which will provide for the opening of private schools.

Concerning the positions expressed by the Albanian side, Greek sources note that Mr. Serreqi avoided issues which had caused problems in the past and put emphasis on the possibility of Greek-Albanian economic cooperation.

President Berisha Addresses Party Conference

AU1403075395 Tirana RILINDJA DEMOKRATIKE in Albanian 7 Mar 95 pp 1-2

[Speech by President Sali Berisha to the Extraordinary Conference of the Democratic Party held in Tirana on 5 March: "The Democratic Party Has Kept Its Word, Has Carried Out Its Contract With the Albanian Electorate and With Democracy, Albania, and Europe"]

[FBIS Translated Text] Ladies and Gentlemen, Honored Delegates to the Democratic Party's [PD] Extraordinary Conference:

The PD's Extraordinary Conference has been summoned in order to tackle certain problems that have arisen from open opposition to the decisions of the PD National Council, and this not from ordinary council members, but from the PD chairman himself, who has, alas, not even used his own ideas for this purpose, but only the theories of the Albanian Marxist leadership. This conference meets on the threshold of the start of the fourth year of the mandate the Albanian people gave to the PD in the elections of 22 March [1992]. Today, therefore, when one-fourth of our mandate still lies ahead, I think it is legitimate and indeed necessary to take stock with a critical and keen eye of the three years of progress in achieving the PD's program, the most serious program that the Albanian nation has known in its history. This program gave our ancient nation its first three years of continuously developing democracy, and saved Albania from the chasm of history into which the Red Albanian leadership was rolling it. Today, more than ever, we must return to our program. I constantly study it and take stock, and I invite you and all the PD's members and voters to do the same. The program is our word of honor, our contract with the Albanian electorate, democracy, Albania, and Europe. It is the hope, ideal, courage, sacrifice, achievement, and creation of all those who voted for us and struggled for a different kind of Albania.

I have the pleasure to announce today at this PD conference that the PD, in implementing its program during the last three years, has carried out its historic contract. It has rescued Albania, the "Somalia of Europe." Not words but facts and facts alone testify to this: the great transformations in all fields, the laws that have been passed, and the new institutions that have been constructed. In this overview I will provide a short comparison between our program and the way in which it has been made reality in less than three years.

In the Political Field

Three years ago, the PD's electoral program laid down as major objectives in the political field the preservation of the country's independence and sovereignty, the construction of a law-governed state, respect and guarantees for human rights and freedoms, respect for minority rights, the reform of the judiciary, the total reform of local government, the removal of party influence on institutions, and the deep reform of legislation and the system of the courts. Albania, with its suppressed rights and freedoms, its ban on religion, and its ban on travel and property, now has the largest number of private journalists in Europe, and is a country of total religious tolerance, where private property predominates. Albanians travel freely throughout the world. Albania, which signed the Copenhagen Charter only four years ago, has fulfilled this charter's criteria for the treatment of minorities. Today, after three years, the Albanian parliament has replaced the laws of communism with laws up to European standards. A state of justice has replaced a party-based state or the party-state. The Charter of Human Rights, codes, and hundreds of new laws testify to the progress of the law-governed state. I want to say to you that our progress in the field of laws is greater than that of several countries of East Europe that began to open up to the world not years but decades before us.

In connection with the constitution, our electoral program states that "We will commit ourselves to drafting an up-to-date democratic constitution, placing at its foundation the principle of the separation of legislative, executive, and judicial powers." Thus, our program states that we will commit ourselves to drafting the constitution, because a single political party cannot decide to approve it. However, our efforts to draft and approve the constitution have exceeded the demands of the program several times over.

Let us refer to the facts:

First, we approved constitutional laws up to European standards which, according to the Council of Europe experts, have not left a legislative vacuum, and have fully guaranteed a parliamentary regime with the separation of powers, human rights and freedom, and the independence of the courts. We are committed to drafting the constitution, as the program demands, but we are also more committed to approving the constitution than any other political force in the East. For instance, the Charter of Human Rights was drawn up in cooperation with the Venice Commission. This is also a fundamental law of national conciliation, and in the light of the European Convention on Human Rights has been called a brilliant document. However, because of their antidemocratic reflexes, the Albanian left-wing extremists violated their promised consensus and voted against the charter. On 13 June 1993, the constitution drafted with the Venice Commission was submitted to parliament, but the Socialist leadership, with their determination to leave the country without a constitution, their destructive

attitude toward democracy and its laws, and their desire to provoke early elections, walked out of parliament for four months.

Nevertheless, we did not give up our efforts for the constitution, which the Socialists proclaimed to be the president's constitutional coup. Under the Constitutional Law, the president has no right to convene a constitutional assembly because creating such a thing is the exclusive right of the Albanian parliament. Faced with this confrontation, and not possessing a two-thirds majority in parliament, we proposed a referendum for approving the constitution, as a method that our Constitutional Laws (Article 16/2) fully authorize. The idea of the referendum met with total support from the most distinguished members of the Council of Europe's delegation and from all other international associations. Yet the Socialist leadership, even though taking part in the referendum, called it a putsch and launched the most offensive campaign in history. The people did not approve the constitution. I want to be sincere with you and to confirm once again that even today I do not criticize the decisions we made to hold a referendum, not because I was in any way pleased by the result, but because, in our dedication and determination to build democracy, it is up to us, who did not set off on this road in search of sinecures, to turn to the people in order to enable them to decide on the constitution, in the absence of other possibilities. With this act, we demonstrated that our great aim is democracy and not power, and that we hold power in order to build democracy. Nobody forecast the result of the referendum. However, one thing is certain and that is that the people on 8 November did not vote for the past, for left-wing extremism, or for the demons of Enverism. Moreover, the existing constitutional laws were and remain superior to the draft that the people did not approve, because the commission for drafting the constitution made compromises.

In our program, we are committed to creating a constitutional court and a council of justice. I am sure that the constitutional laws on which these two institutions are based are up to European standards. The main thrust of the offensive by the Albanian left-wing extremists has therefore been concentrated on these two institutions as the main insurmountable obstacle for all those who want to supplant the rule of law with the party state. According to the program, we have approved laws for the reform of the Investigator's Office, the Bar Association, the courts, and the operation of the judiciary in Albania.

Meanwhile party influence has been removed from all the institutions mentioned in the program.

In these three years, the reform of local government has been accomplished and the first free local elections in Albania's history have been organized. The local administration was established on a legal basis that is entirely compatible with the European Convention on Local Autonomy. For party purposes, the left-wing extremists

made continual efforts to paralyze local government. The consolidation of this local government remains a very important problem.

In the PD's foreign policy program, the main objectives are to open the country, to secure support for the reform, and to internationalize the Albanian question.

During the last three years, Tirana and Albania welcomed more heads of state, ministers, and directors of international organizations than any other Balkan country and more than in Albania's entire centuries-old history. Let us not forget that Albania, a country whose last communist prime minister no more than three years ago used to get stuck at airports for want of a visa, has in the last three years hosted visits by European and world personalities, heads of state, and leaders of international organizations such as Pope John Paul II, President Herzog, President Scalfaro, NATO Secretary-General Woerner, the chairman of the European Parliament, and many heads of state, prime ministers, and ministers from EU countries, the United States, and other countries of Europe and the world. Albania's policies have secured the largest amount of aid per person in Eastern Europe, and have succeeded in internationalizing the Albanian question (as never before).

The PD program emphasizes that in bilateral relations the PD will rely on the country's traditional, historic allies, defining Germany as its main partner. Albania, which three years ago was writhing in a tragic quandary, now has close relations with this friendly country. My meetings with President Weizsaecker and Chancellor Kohl, and the reciprocal visits of Messrs. Genscher, Kinkel, Spanger, Serreqi, and Kopliku, the successful visit of President Herzog, and the joint declaration that has the value of a real treaty of friendship and cooperation are highlights and major achievements of friendship and cooperation between Albania and Germany. During this period, Germany has given our country among the highest quantities of aid per person in the world.

Our program also defines Italy as a priority and an important partner for Albania. Italy has rendered very great assistance to Albania's first steps in opening up, and continues to do so today. Some problems created by the Craxi-Nano duo have been overcome, not in the least eroding the deep gratitude of all Albanians for the extensive and generous help the Italian Government and Italian Institutions and citizens have given and are continuing to give to Albania. The visits of President Scalfaro to Albania and Mr. Meksi to Italy, the reciprocal visits of the foreign ministers, my meeting with Mr. Berlusconi, and Italy's priority extension of aid to Albania testify to the current and prospective level of very good cooperation with this country.

The strengthening of general ties with France, Britain, Austria, and the Scandinavian countries is laid down in our program as an objective of our foreign policy. I think that the Friendship Treaty signed with France and the other agreements signed with this country, the visits by

Prime Minister Meksi and Mr. Serreqi to Paris, and the exchange of military delegations are historic development in our friendly bilateral relations.

Our relations with Britain are friendly and have reached hitherto unheard-of levels. The visits of Mr. Hurd and the ministers Hogg and Chalker to Albania, my visit to Britain, the exchange of military delegations, and the agreements signed have given a real impetus to our friendly relations. The British Government unblocked the Albanian gold immediately after the elections. Britain has given us serious and valued technical and economic assistance.

Our relations with our old friend Austria are developing fast on a sure path. Meetings with President Klestil, Chancellor Vranitzky, and reciprocal visits by our foreign ministers, defense ministers, and other members of the government have helped to increase understanding, cooperation, and friendship between our two countries.

Likewise, efforts have been made to expand our country's cooperation with Scandinavian countries. The first results are very positive. High-level meetings and other visits have brought Albania closer to these countries.

Relations with the United States assume a special place in our program. I have the pleasure of being able to tell you that despite the change of administration our friendly relations are continually growing and being consolidated. They have reached ever higher levels, starting from the grant of most-favored-nation status and the major technical and humanitarian aid that was given to Albania at a very difficult time. Bilateral cooperation in security and defense is of the most successful kind. The United States has given strong support to Albania in all her efforts toward European integration. The stand taken by President Bush and later President Clinton on the cause of Kosova, President Clinton's stand on Albanian-Greek dialogue together with his decision to sell arms to Albania, and the U.S. Government's creation of a U.S.-Albanian enterprise fund are very important steps in friendly economic and political cooperation between our two countries.

Albania has established friendly relations of mutual sympathy and respect with a range of other countries such as Switzerland, the Scandinavian countries, Japan, the Netherlands, Spain, Malaysia, Kuwait, and many other countries that have contributed to the revival of our economy with tens of millions of dollars of aid either freely and directly or through international institutions.

The PD aims at very good relations with Greece, a guarantee of the rights off the Greek minority in Albania, and the same policy toward the Cams in Greece, with their repatriation. The PD has from the very beginning attached particular importance to relations with our southern neighbors. Albania has not allowed any provocation against Greece, and has expressed and will continue to express gratitude for the help Greece has given. In the last three years and in accordance with the PD

program, as Mr van der Stoep, OSCE high commissioner for minorities, has admitted, Albania has matched the standards of the Copenhagen Charter on Minorities, standards which many much older democracies and even initial signatories of the Helsinki documents have not fulfilled. As for the recent deterioration of relations with this country, the EU countries and the United States have supported our open attitude in favor of dialogue, and have come out against any blockade. We have raised the Cam problem and will insist on its solution. Regardless of nationalist influence on Greek policies, we are determined, while defending our sovereignty and dignity, which are the values on which a democratic state is constructed, to cooperate with the Republic of Greece having as our aim the signing of a treaty of friendship and cooperation. The reciprocal desire to improve relations is encouraging and we look forward to Mr. Papoulias's visit to Tirana.

The program attaches particular importance to relations with Turkey. Friendly political, economic, military, and educational cooperation with this country is going very well and is of special importance to us. The visits of former president Ozal and President Demirel to Albania, my visit to Turkey, the visit of Mr. Meksi, the Treaty of Friendship, and a range of other agreements have promoted this cooperation. Turkey has given Albania great technical and economic help, and [words illegible].

We also have very good and friendly relations with Bulgaria, Romania, Croatia and Slovenia, friendly countries with whom we have exchanged visits at all levels and signed treaties of friendship and cooperation, as well as a range of other agreements. Our relations with Macedonia have been and will be developed, bearing in mind that the stability of Macedonia is vital for the southern Balkans and that conditions for this stability are dialogue, understanding, and good Albanian-Macedonian interethnic relations, i.e. the guarantee and recognition of the Albanians' human and national rights.

The PD program states that the PD seeks to integrate the country into the EU and to secure membership of the Council of Europe. Albania, after Macedonia, is the last country to seek membership of the Council of Europe. It is now in the final steps of this process. Official documents that we have from the Council of Europe in relation to Albania's membership state that the new Penal Code and Code of Penal Procedure are conditions. Everything else is a fiction of the Albanian left-wing extremists and those who are playing their game. In 1992, Albania signed an agreement of economic and trade cooperation with the EU. However, the program also states that an agreement of association with the EU should be achieved within two years. This statement was unrealistic because of the wretched economic situation and regional factors. Nevertheless, we are making active efforts to start negotiations for association, although the economic gulf between Albania and countries of the East that have won association is sometimes greater than the gulf between these countries and some EU members.

Our program gives priority to cooperation with NATO and G-24. Albania was the first country in the East to apply for NATO membership and has established very good relations with this organization. The visit of UN Secretary-General Woerner and the chairman of NATO's Military Committee to Albania, my visit to NATO headquarters in Brussels and the visits of the ministers Serreqi and Zhulali, as well as the signing of Partnership of Peace, the conduct of joint maneuvers, the granting of airport rights to NATO forces, and Albania's admission to the Assembly of the North Atlantic Council are all major and undeniable achievements of our policies. Meanwhile, the G-24 has so far only met twice, but will soon hold its third meeting devoted to Albania.

The internationalization of the Albanian cause has been and remains a major objective of our foreign policy. The resolution on the question of Kosova sponsored by Albania and approved a few months ago with the support of about 130 countries was a genuine achievement of Albanian diplomacy and our foreign policy as a whole, especially in internationalizing the Albanian cause, which has been and continues to be a major theme of our talks and dialogue with other countries and institutions.

Gentlemen, as you therefore see, major objectives have been achieved and even exceeded in our foreign policy, not only bilaterally but multilaterally. Albania, which three years ago writhed and languished in agony, not only now has many friends, but has become transformed into a factor of peace and stability. The integration into Europe of a country that wasted more than half a century cannot be a short-term matter. Europe cannot be reached in two or four years, but great steps have without doubt been taken, and will necessarily be followed by more.

The current Socialist leadership, destructively nihilistic and truly anti-integration, considers all these achievements to be nonexistent. Their inborn astigmatism does not allow them to see Albanian democracy and Europe at the same time. On the map of Europe, they only see as real and genuine the occasional Red blotch, which they think is Europe.

The program's plans on the problem of religion have been completely carried out. Albania is a country of religious tolerance and freedom.

The Army, Order, the National Intelligence Service, and Care for People

The PD's program prescribes the reform of the Army and its transformation into a democratic institution. The Albanian Army is now directed by civilians, and is no longer an army based in scattered outposts, but a barracks-based army that trains and exercises according to an entirely new program. It has established a very good cooperation with the armies of friendly countries and has conducted joint maneuvers with them. Albania has a reformed army today. Military education has also been thoroughly reformed. Serious progress has been recorded

in the training of Albanian officers at home and abroad. Our program for the Army will be fully carried out by the end of our mandate.

Guaranteeing order and peace, parliamentary transparency, and training are laid down in the program as basic demands for the organs of public order and SHIK [National Intelligence Service].

I think that the PD's program has also been properly carried out in the organs of public order, while not claiming perfection. Albania today has the lowest level of crime of the countries of East Europe, and a decline of 30-40 percent has been noticed since 1991 and the beginning of 1992. These organs have been thoroughly reformed and intensive work has been done to qualify them. Meanwhile, the SHIK was built from scratch after the Ceka Commission that was entrusted with its reform, besides other crimes had turned this institution into the redoubt of the most diehard elements of the Albanian Sigurimi.

The PD program for the free movement of foreign citizens and of Albanians abroad has been realized with the removal of visas for dozens of states and for Albanian citizens. Albania is now one of the most liberal countries in the world regarding people's movements.

The demands of the PD's program in relation to our attitude to the Socialist Party and its allies, to the National Liberation War, and the assessment of democratic personalities have been meticulously carried out.

Thus, in the political, legal, foreign policy, and military fields, and in all aspects so far mentioned, the PD's program has been carried out to the maximum, or, if we refer to it item by item, 13 of its 15 points have been realized as well as possible and as promised. I remind you that one-fourth of our mandate is still to run, and that all these things have been accomplished from a starting point of chaos, anarchy, destruction, destitution, and hunger. These things have been accomplished with the inheritance of an Orwellian dictatorship, the most hideous in Europe. They have been achieved in a region where wars and the demons of hatred seriously threaten peace, security, and stability. They have been accomplished in the teeth of an antidemocratic, antireform, anti-European opposition leadership that is against Albania's membership of the Council of Europe and against Nato. This leadership cannot reconcile itself to the values of democracy and its institutions. In its view, if yesterday's dictatorship was rain, today's democracy is hail. It disparages our country and Albanian democracy day in and day out, celebrates with shouts for Enver Hoxha, and bargains secretly at the expense of national interests.

Economics

Ladies and gentlemen, that was the implementation of our program in the political field, with the establishment of a law-governed state, a judicial system, defense, and

public order. Those are the achievements and the matters remaining to be dealt with. One often hears it said that the foreign policy achievements are indeed spectacular and undeniable. However, I wish to assure you that the achievements in carrying out the PD program in the economic field and elsewhere are still greater and more decisive.

Let us not forget that in 1992 Albania covered 60 percent of its budget from aid. Thus, in the question of to be or not to be, if 50 percent can be taken as the cut-off point, Albania was historically sunk. The exoduses and the arson and destruction had transformed Albania in the eyes of the world into a country of boat people, a country out of control, that produced nothing and, even worse, did not even distribute its humanitarian aid.

Under these conditions, the PD program prescribed the market economy, based on free initiative and private property, as the economic system for Albania. This decision was decisive for us and future generations. In less than three years, this country of total collectivization has, according to the assessments of the most serious international economic and financial institutions, acquired an enviable position according to the indicators used to measure the market economy. The private sector produces more than 55 percent of GNP. Inflation is comparable to that in some EU countries. For two successive years, Albania has headed the list of economic growth in Europe. Albania achieved all these things by meticulously applying the PD program. Thus, according to the program, prices were liberalized, the shopping basket [of staple consumer goods at controlled prices] was introduced, and then its prices were freed. Strict control of food aid was introduced. Inflation was controlled. Budget expenditure was curtailed, to the point that we now have one of Europe's least-bloated civil services. Subsidies were removed, taxes imposed, and a range of measures were taken to encourage exports. Total parliamentary control was imposed on the budget and a series of steps were taken to stimulate investment.

Our electoral program foresaw that problems of heating, lighting, and water supplies would be considered first priorities, and next year the situation must significantly improve. Our efforts in this direction and our achievements have not matched our promises. However, a number of serious plans for the construction of water utilities in Tirana, Durres, Shkoder, Korce, Kavaje, Krume, Kukes, etc. are under way. The program also envisages that telecommunication will be modernized within three years. The modernization plan began this year, and within two years the number of telephone subscribers will double and a cellular network will be installed. The first phase of this will be concluded next year. It should have begun earlier.

The PD's monetary policy has been one of its great successes. In three years, the currency has been stabilized, interest rates and currency exchange rates have been entirely liberalized, and currency convertibility has

in practice been achieved. Foreign currency reserves have risen from zero to more than three months. The program envisaged that reserves of one year would be ensured, but this cannot be achieved, just as it will not be possible, as the program pledges, to tie the lek to the ECU. However, I wish to remind you that no Eastern country has achieved this, and even EU countries such as Britain and Italy have left the European Monetary System. I can therefore say that this was not a realistic short-term objective and can only be achieved in the medium or long-term.

Despite improvements, the banking system is not up to the demands of the program. Private banks and the stock exchange mentioned in the program must be major objectives of this year. The management of enterprises and the establishment of new relations in this field are being regulated by law, as the program envisages. The defense industry is experiencing serious difficulties, but has already started production for civilian uses. An antimonopoly law is another point in the program that has not been achieved. However, this law too will go before parliament this year.

Our program envisaged the privatization of the economy within four or five years. So far, if we calculate land and housing together with transportation, services, and trade, about 65-70 percent of the national wealth has been privatized. The program envisaged the privatization of natural resources, the banks, and Albanian Telekom within two or three years. There has been a delay of several months here, just as there has been a delay in the issue of bonds. However, everything is ready to start now, and this year, as envisaged in the program, medium-sized and large industries will be privatized through the issue of bonds. We had planned that apartments too would be privatized with bonds, but we privatized them in a better way. Thus, mass privatization with the help of bonds is the most important objective this year, representing the triumph of the PD's economic program. This tremendous step reduces the chances of communism returning to Albania. This is one of the main reasons for the unbridled antireform and antimarket campaign with its offensive slanders and insults launched by the extremists of the Albanian left against the institutions of the democratic state. However, no force will be able to prevent the PD from accomplishing this process. The PD chairman's recent attack at the aktiv in Elbasan against this step that is so decisive for the development of the market economy in Albania, in which he called it a left-wing measure, is also a part of the antireform campaign that deserves only pity and contempt.

Labor relations have undergone a radical transformation in accordance with the program, and free labor has come to the fore. As the program envisaged, a Ministry of Labor and Emigration has been formed, and accountable social welfare has been organized under parliamentary control. Organized emigration has not been organized in the way that was promised, but intensive work has been

done with Italy, Germany, etc. to ensure the continued stay of existing emigrants and to prevent their expulsion. We are grateful to these countries. Greece has expelled our emigrants for political purposes, but work will be done to settle this matter with Greece too.

Positive results, even better than predicted, have been achieved in dealing with the foreign debt. Negotiations are continuing over the debt created by currency speculation.

Undeniable results have also been achieved in foreign investments. Albania, which 1992 was in last place in East Europe for foreign investments, is now in a position envied by many East European countries such as Romania, Bulgaria, Lithuania, etc, as far as the amount of investment per person is concerned. This year will see a significant growth in investments. About \$130 million of foreign capital has been invested in roads, water utilities, and irrigation alone. Other investments are concentrated on oil, industry, etc.

The construction industry, and the production of materials for this industry have experienced a special kind of boom. More than 1,300 private firms are working in this field today. If pillboxes were and remain the symbol of yesterday's dictatorial society, new houses and villas are the finest symbol in bricks and mortar of today's Albanian democracy.

Particular attention has been devoted to regional development, but this is of course a medium-term and long-term policy. The PD program for international economic cooperation envisages cooperation with the EU, the IMF, the World Bank, the European Bank for Reconstruction and Development, and the G-24. Analyses reveal that cooperation with these institutions has been successful and that Albania has won grants and loans on easy terms from them and their member countries more than any other former communist country. Similarly, within its cooperation with the EU, Albania is the sole country to be treated by this organization as a special case, and to have been helped initially with food and other staple goods to a value of \$400-500 million, and with grants and other major assistance, so far free. These institutions consider the progress of the reforms in Albania, the poorest of countries, as a surprise success.

This analysis shows that 62 specific objectives in the PD's electoral program have been achieved in three years, 12 others are in the course of completion, and only three have not been carried out: organized emigration, the linking of the lek with the ECU, and the achievement of an agreement of EU association. Intensive work is being carried out on these, but in emigration we have concentrated on defending the interests of those already abroad. The successful realization of this program not only created macroeconomic stability for the country and reduced the number of unemployed from 730,000 to 260,000, filled the shops, and eliminated lines, but established Albania at the head of the East European economic growth list within two years and led to private

ownership being predominant in Albania. It can therefore fairly be considered a program of national salvation. Let us not forget that this program was achieved through great pain and sacrifice that the Albanian people faced with extraordinary courage and manly determination, and in the teeth of Marxist antimarket propaganda of a kind not seen in Europe. I, too, therefore wish to thank the Albanians from my heart for supporting the economic reforms.

The PD's Agrarian Policy

The PD's program lays down as the main objectives of agrarian policy the distribution of land; the grant of title deeds; the law on the sale and purchase of land; compensation for proprietors; a solution to the bread problem; agricultural mechanization; increased agricultural and livestock production; the introduction of taxes after three years; the training of agricultural specialists; the improvement and modernization of the irrigation system; the privatization of pastureland, meadows, and water and fishing enterprises; subsidies for chemical fertilizers; the restructuring of agricultural education; the improvement of veterinary services; the establishment of local transportation routes, afforestation; and the organized marketing of agricultural products.

A comparison of the objectives laid down in the program with their realization shows that land distribution in Albania is in its final phase. The granting of title deeds has been speeded up and will be completed in the coming two or three months. I remind you here that several countries that began the reform years before us have still not distributed more than 30-40 percent of the land. The law for the compensation of former proprietors has been approved, and other possible ways of compensating large-scale proprietors are being examined, which will bring the PD into a still better relationship with the former proprietors. Albania has bidden farewell once and for all to fear for its bread and to the tyranny of corn. For the first time in history, the Albanian people as a whole are consuming wheaten bread. More than 5,000 tractors with tires have been brought to Albania in the last three years as well as hundreds of other pieces of agricultural machinery. Taxes have been introduced according to the category of land. In the last two years, particular priority has been given to irrigation. International institutions alone have this year secured about \$50 million of investment for this purpose. Work has begun in this field, and is proceeding well.

Agricultural specialists have been given preferential treatment in the division of land. Chemical fertilizers have been exempted from taxes. A law on the privatization of pastureland is being prepared. Agricultural production is 2.5 times greater than in 1991. The number of livestock and their production has approximately doubled. I remind you here that the former cooperative that had the best livestock complex in the country now possesses four or five times the number of purebred cows. In comparison with 1991, the consumption of dairy products is about three to four times higher.

Besides these things, rules have been laid down for the protection of our agricultural products, agricultural education has been restructured, and entirely private bus lines have been reestablished with villages. Increasing attention is being devoted to help for mountainous regions through the rural fund and other resources.

Although our program envisaged state farms in the form of stockholding companies, we divided the farms and by a decision of the National Council opted to give the title deeds to the peasants. Under this measure, 160,000 more peasant families became property owners, our program shifted to the right, and private property came to totally dominate the countryside.

The points of our program connected with the creation of trading forms for the marketing of agricultural products, the law on the purchase and sale of land, rural tourism, and the forest development program have still not been realized. The problem of the agricultural banks and loans and the problems of mountainous regions are still in the course of solution. However, some of these problems, such as those of rural tourism and afforestation, cannot be anything but medium- and long-term issues, while the other outstanding problems will be virtually entirely solved in the course of this year. We still have one year left, and I can say that in this field too we have carried out more than 80 percent of our promises, and will perform the remainder before our mandate ends.

The Social Field

One of the great merits of the PD program and its implementation lies in the fact that we laid the foundations of a social market economy. Under our social program, we have aimed to make the capitalism we are building as popular as possible, and to make the society of the market as social as possible. The objectives that have been achieved are: the establishment of social welfare; the five-day week; the increase in the number of public holidays; the introduction of birth control and family planning; the extension of maternity leave to a period two to three times longer than in some Western countries; help for scientists and talented young people, of whom more than 1,600 have been sent for specialization abroad in the last two years alone; the introduction of special pensions for creative artists; the reform of educational curricula; the deideologization of education; and the opening of the University of Vlore. The law on private education has still not been prepared, but will be completed this year. There have been substantial changes in the quality of medical services, and the private sector has been established and is now expanding. The necessary stocks of medicines have been ensured. A helicopter ambulance service will soon be introduced. A system of social security payments under a European law has been established. Objectives that must be attained include an increase in the quality of service and organization, and the exercise of a citizen's right to choose his doctor. Of course, reducing infant mortality

remains a priority. Although it has fallen to 34 percent from 45 percent in 1991 [figures as published], this is high and unacceptable. Transportation for the elderly has not been made easier, as the program demanded. Modern legislation on the environment has been drawn up. Culture is being increasingly supported. This was Albania on 6 November. These were the achievements, the nonachievements, and what remained for the PD to do on 6 November 1994. The achievements must not in any way provoke euphoria. It is our task to consolidate them and especially to carry out as soon as possible what remains to be performed.

Ladies and gentlemen, there is no place for euphoria in Albania, either now or for the remainder of this century. Rather, let us look at everything through a microscope. Let us remember that we have about 260,000 unemployed and that our infrastructure causes daily suffering to our citizens and requires improvement as soon as possible. Let us remember that our pensioners, and not they alone but many others, barely make ends meet, and that we should do more to enforce the law. Nevertheless, I wish to stress that never, ever, in the history of democracy has a political party implemented its electoral program item by item within its four-year mandate. The pace of the times makes this impossible. However, I wish to assure you that no political force has ever succeeded in achieving within two and a half to three years such a political, legal, institutional, legislative, and economic program of epoch-making transformation as the Democratic Party [PD] of Albania.

All these things have been achieved starting from absolute zero, following emergence from deep isolation, and with a total lack of experience. They have been achieved through the drafting, issue and enforcement of thousands of minutes, decrees, acts, laws, protocols, and agreements heretofore totally unknown to Albania and Albanians, who were emerging out of the depths of the communist darkness. These are the fruit of the effort, sweat, talent, and devotion of officials, specialists, and members of the government of the new administration that the PD and its appointees created, and of serious and dignified cooperation with foreign specialists from friendly countries and international institutions. Achieving every item in our program means relying on the labor, sweat, creative genius, talent, professional training and intellectuals, democratic, and patriotic dedication of hundreds and thousands of boys and girls, men and women, PD members, supports and voters, and also all those who, regardless of their party convictions, support the reform. In your name, I wish to express deepest gratitude to these Albanian and foreign reformers. Our achievements become even more significant if we bear in mind that they have been attained under the pressure of the Red psychological terror, and the violence, deceit, slander, and antireform, antimarket, destructive propaganda of the Albanian left-wing extremists.

To deny our achievements, to say that the government has carried out only 20 percent of the PD's program, as

you, Mr. Selami, have declared, means to look at things upside down or to join the chorus of antidemocratic and antireform elements that are emerging from the world of darkness and seeking to annihilate Albanian democracy at all costs. This is intolerable. To nihilistically deny our achievements means ignoring the important and progressive steps taken by the country's democratic system and to assisting the favoring the return to power of the communists, or it means not feeling jointly responsible for these achievements, even though, my friends, you have been and remain so.

Your statement that only 3 percent of the central administration are PD members was not only untrue, but demoralized the state administration, which was appointed by the PD and which, despite all its defects and shortcomings has played a vital role in implementing the PD's reform program. Only those lacking respect for hard work, creativity, and other people, or who are pursuing certain ends, may permit themselves attacks based on this false information.

Mr. Selami, despite our indisputable achievements, of which you are aware, we are mainly tackling our non-achievements, and we have criticized plenty of ministries and the government as a whole for these. I have also criticized myself, and have asked the PD to correct itself. However, I have been disappointed to observe that your criticisms of the government were for the sake of your careerism and part of your battle to become prime minister, while I was indeed saddened when these criticisms became part of the macabre chorus that is under the direction of the Hoxha-ist secret police at the head of the Socialist Party, which aims to disparage and discredit not only the PD, but the democratic system and its institutions. I was sad to see these criticisms associated with the immoral campaign of Enver-ists and Albanian Enver-ologists whose sights are trained not only on the PD and the government, but on the future of democracy and the country. Your attack in your statement claiming that not 20 percent of what the PD promised has been carried out is based on a lie and I call on you to withdraw it. This would be much worthier of you.

Ladies and gentlemen, the people said no to the draft constitution on 6 November. In the days that followed, the PD showed its vitality and strength in [passage indistinct] never any ultimate defeat or victory but because the lack of success on 6 November was an event in the course of a noble, national, and democratic mission. At the first meeting of its National Council, the PD therefore determined, in a dignified manner, that the only way forward was to continue the struggle according to the rules of democracy. It made a series of decisions, not for early elections, but for strengthening and reorganizing the PD, improving the government, accelerating reforms, and determining its future standpoint on the constitution. The irony of fate was that you, Mr. Chairman, who approved these decisions without the slightest reservation, have turned into the bitterest opponent of these measures.

Mr. Selami, for myself and your close friends, your attitudes since the referendum have been extraordinary, unacceptable, and undemocratic. I personally have been very disappointed by your persistent demand to become prime minister, not because you do not have the right to ask such a thing, but because it is unreasonable to insist on it a mere 24 hours after the parliamentary group has confirmed its vote of confidence in the government. This demand of yours, raised in the third week of December in the presence of Mr. Meksi and subsequently Mr. Spahia and Mr. Shehu, naturally met with the categorical opposition of myself, Mr. Spahia, and Mr. Shehu. I told you that this was a destabilizing move. On the following day, the government won the parliament's vote of confidence, while you finally lost your head, asked to go away to reflect and tender your resignation. Suddenly, only three weeks later, i.e. in the second week of January, you again asked to become prime minister. You received the same reply from me. To tell the truth, I considered your demands abnormal, eccentric and reminiscent of the twenties, when Albanians toppled and traded governments every two or three months. Nevertheless, I thought that your trauma would pass and you would be cured. I did not avoid you as a friend, and tried to help you. However, you suddenly came up with the theory about the makeup of the government and urged the government's immediate change, offering your own resignation. Meeting your demand for changing the government lineup would have meant slowing down the reform and early elections. You justified this by presenting the National Council with totally bogus data that surprised us all. By the serious step of your resignation and the pseudofacts you used to justify this irresponsible behavior, you performed a great service to Albanian left-wing extremism. However, the National Council and PD leaders refused your resignation, albeit with a deep sense of disillusion. You misunderstood the applause of the council's members. It did not mean that you were irreplaceable, but was because of your contribution and the absurdity of the step you wanted to take.

With your resignation, you delivered a surprise blow to every PD member and supporter, and proved yourself not up to the responsibility of their trust. I say this bearing in mind later events. You then continued with an attack on the decision of the National Council, but this time adopted the theories of a group of people who, after having organized the year 1991, a black year in Albanian history, have been trying for three years to force the country into early elections with the help of the constitution. Thus, you took the unprecedented step of choosing as a "political movement" the program of Marxist-Leninist ideologists. In the history of the PD, only Neritan Ceka behaved in such a fashion, as he did six days before reading to me, in Ramiz Alia's office, that declaration that spelled his final end as a political personality. You know yourself what happened to you. Since 6 November, I think that the PD has clearly proved its ability to handle disappointment and confine itself to the rules of democracy. At the meeting of the

National Council in December, we decided that the constitution was to be approved by referendum, but that implies it will take place after the elections, because a referendum needs at least one year before it can be repeated and ratified by parliament. We proposed a new commission to draft the constitution and elect one of the 15 exemplars of the EU member states as a model for the separation of powers. The Socialist leadership, after giving its agreement, withdrew it again Mukje-like [reference to wartime Conference of Mukje, at which communist delegations reached an agreement to fight the occupation forces alongside nationalists. The agreement was immediately repudiated by Enver Hoxha], and demanded that the constitution be brought before parliament. If parliament did not approve it, it was to go before another parliament, and finally they withdrew and ended up with an illegal commission, in proper Marxist fashion. To go along with their bluff and accept their theory of the constitution means portraying them as the real promoters of the constitution, when it is well known that they are the main hindrances to it. It means indirectly blaming the PD for the lack of constitution and ignoring and discounting, just as they do, the titanic efforts of the PD to provide the country with a constitution. It means endorsing the anti-Albanian and anti-democratic attitudes of the Socialist Party at a time when, as you well know, our efforts for a constitution have many times outstripped what is written in our program on this issue. To defend the theory of left-wing extremists means provoking early elections or agreeing to give the country a Ruci constitution [reference to Socialist Party deputy Gramoz Ruci]. Our constitutional laws are a thousand times better than their Red constitution. The PD will never accept a constellation that establishes rule through a party-state in Albania.

Moreover, I wish to stress that in all the meetings I have had with the Council of Europe, the EU, and distinguished personalities and lawyers, they have advised me not to rush the constitution. First, it goes without saying that historically the referendum cannot be repeated before at least one year has elapsed and without securing a much broader consensus. Second, there is no legislative constitutional vacuum in Albania, and the Council of Europe and the other international institutions know this. However, you unexpectedly seized the initiative of the Socialist leadership and hurled yourself against the decision of the National Council. As an argument, you mention the fact that you want to give the country a constitution and for the PD to win in 1996. According to this logic, one might indeed wonder whether the Socialist leadership, whose theory you defend, contrived this theory in order to give the country a constitution and ensure a PD success. Nevertheless, we patiently tried to convince you at two meetings of the Presidium. At the Presidium's most recent meeting, we asked you to withdraw your statement and close the issue, but in vain. We therefore went to the National Council where, of all the speakers, only two or three supported your viewpoint.

At the National Council, I personally came out in favor of summoning this conference. I did this for several reasons.

First, I wanted the grass roots of the PD to discuss and define their stand on this issue.

Second, we are all connected to one another. I could not and will never agree to important issues not being discussed at all levels of the PD.

Third, by calling an extraordinary conference, we also respected you as chairman. The Council decided that the conference would take place. The dates of the *aktivs* were decided, and you took part in some of these. The discussions were of a democratic character. However, at these *aktivs* you attacked other National Council decisions and also such an essential element of the PD program as bonds, to which you had agreed at all the earlier meetings. So far, only the Socialists and some of their satellites have come out against bonds. To consider them a left-wing measure is a statement as untrue as it is ridiculous. At another *aktiv*, you said that you had been against the referendum from the beginning. However, I want to remind you that at the most recent meeting of the National Council you admitted that the referendum struck you as a very good idea. On this occasion, I want to tell you as a friend that you either have advisers who consider politics to be the art of the immoral, or you have much more serious problems. In either case, I only feel sorry for you.

A PD member or National Council member might criticize the idea of the referendum, but not you, who were the main advocate and supporter of this idea.

At the most recent meeting of the National Council, you at lunchtime misinformed the public by declaring to the media that the president was proposing to summon a conference and dismiss the PD chairman. You tried to turn this into my personal affair. I said at the National Council meeting, and I will repeat it here, that you, with your public opposition to the decisions of the National Council and your defense of Socialist Party theories; with your attempts to become prime minister twice within three weeks at a time when the government had just won a vote of confidence; and with your morally unjustified resignation, have ceased to be the party chairman. This Extraordinary Conference therefore had to be summoned and consulted on these matters. It is however within your right to speak out in whatever fashion you care to, although I would say that these tendencies of yours to personalize the problem at a time when you are known to be my closest colleague are not very worthy of you. For my part, I assure you that I have nothing personal against you, neither as the person I have respected, valued, and honored as a friend and coworker, as I believe was proper, nor as an Albanian politician. As for your attitudes that contradict the standpoints of the National Council, the contract we have with our Albanian electorate, and the PD Statute, I invite this conference to rescind its vote of confidence in

the PD chairman, and at the same time I invite you, Mr. Selami, to make your contribution within the body of this party.

Berisha on Constitution, Selami Ousting

AU1203163295 Tirana Radio Tirana Network in Albanian 1500 GMT 9 Mar 95

[News conference by Albanian President Sali Berisha in Tirana on 9 March—recorded]

[FBIS Translated Text] [Berisha] First, I want to welcome all of you, and secondly I would like to say that I am open to every question. Who would like to take the floor?

[Mero Baze, RILINDJA DEMOKRATIKE] In Skopje two days ago, a political organization called Pan-Macedonian (Komesi) objected to your statement at a press conference [words indistinct] that a small minority in southern Albania is a Slav one that is not recognized. Meanwhile, [words indistinct] in Bulgaria, you did not object to a statement by the Bulgarian side that this is a Bulgarian minority. Will there be a resolute stance on the existence of this minority?

[Berisha] First, I do not think it is the leader's duty to determine the sovereignty of minorities, but rather to respect the minorities and try to guarantee their freedoms and rights. I can honestly say that no minority or citizen is discriminated against in Albania. Albania has fully complied with the Copenhagen criteria on the treatment of minorities.

Second, my statement has to do with a fact. There are bilateral claims about its origin—which is the duty of scientists and historians, not politicians. The state has nothing to do with the origin or existence of Macedonia [The Former Yugoslav Republic of Macedonia, FYROM]. I would like to confirm that not only does it exist, but the traditional ties between Albanians and Macedonians have been good, historically.

[Unidentified correspondent] Skopje recently accused you of radicalizing your policy toward Macedonia. Meanwhile, a kind of impatience has been observed in Albania's approach to Greece.

[Berisha] Albania has pursued, is pursuing, and will pursue an understanding and cooperative policy with its neighbors. There has been no change in our policy toward Macedonia. Our policy has been and is constant. We are in favor of stability in the Republic of Macedonia. In my last meeting with President Gligorov, I proposed that we liberalize relations between our two countries even more. In our view, this republic's stability is based on understanding, cooperation, and interethnic harmony. In this respect, the problem of human and national rights and freedoms of Albanians in Macedonia, as well as respecting and guaranteeing them, is undoubtedly a condition for stability in this republic.

We have supported and continue to support their right to education at all levels, which is in conformity with all international documents that are mandatory for those countries that would like to be integrated into the international community. We have supported and still support them with the strict conviction that the education of Albanians in high school, university, and all other levels is in the interest of Macedonia and reveals a degree of their participation in the development and prosperity of this republic.

Of course, we have encouraged and still encourage dialogue between Albania and the Macedonian Government in order to resolve existing problems. It is necessary that both sides understand that Macedonia's stability is important not only for Macedonia—just as democratic values are important not only for Macedonia—but for the region beyond.

[Pellumb Bataj, ATSh] In Elbasan, you mentioned Marx and Marxism. Does that not sound like an electoral campaign? What do you think about the assertion of Eduard Selami that relates Albania's admission into the Council of Europe with the release of Fatos Nano? How do you feel about the solution to the constitution issue?

[Berisha] First, in Elbasan, I did not make any... [changes thought] I hope that what I said to the scholars of the Teachers Training School in Elbasan was not interpreted as an avenue to the electoral campaign. The electoral campaign needs a minimum of one year or more to come to Albania.

However, I stressed, and I still stress, that the history of development has proven that, between the two philosophical systems—that of Rousseau, Kant, and other philosophers on the one hand and that of Marx on the other—one of them proved to be a system of genuine values, as a system upon which democratic societies developed, while the other proved to be a system of totalitarian values, as a drug of real destruction.

I also think that the developments themselves reveal that where the bourgeoisie, capitalism, and the future developed, democracy also developed. Thus, no one can say today that democracy exists without the bourgeoisie and capitalism, just as no one can say that Marxism and the bourgeoisie are compatible. The most typical example of this is the two systems created 50 years ago. We should not forget that if we go back before World War II, some of the East European countries were among the most developed in the world. Among them, there are some that ranked eighth or 13th in world development. Now these countries are fighting to have a future, just like the developed European countries.

There is no doubt that Marxism kills the future.

I have not raised the problem as such and I would not like to [word indistinct] the problem with anyone. Everyone in Albania is free to have their own political opinions. This is true. However, when a question is put

forward about an alternative based on Marx's principles, I cannot but call on academicians and all the people to abandon it. We have paid dearly for the principles of totalitarianism, more than anyone else; thus, we should avoid these principles more than anyone else.

Someone may ask about the alternative, as they are saying that we do not accept the alternative. I accepted the alternative at the end, but this is not an alternative for decoration; this is an alternative for power. It carries in itself the embryo of a great national calamity in the future. Thus, I think that the current stand toward Marxism maintained by postcommunist countries is a very sluggish stance. In the case of World War II, the totalitarian Nazi-fascist systems plunged mankind into a war with great destruction. And after the war, the communist system, or Marx's principles, served as an edifice of the most widespread dictatorship in the history of mankind, from Kamchatka to Shkoder Lake, from Corfu to the North Sea.

A real genocide developed on this basis. Hundreds and thousands and thousands, if not millions, of citizens in all these countries lost their lives in prisons and died of hunger, disease, and misfortunes in implementing this totalitarian doctrine. What happened then? Just like during the 50 years when it was presented as a system, which a French philosopher appropriately called a barbarian with a human face, now again the Marxist principles should (?not)be defended. Imagine what would have happened if Europe had defended the principles of totalitarianism after the war! The other Europe would have been like the East. Thus, I say that the Marxist doctrine and the system to which it gave birth was undoubtedly the most tragic experiment that mankind has known. I want to be [word indistinct] and it is necessary that people become more conscientious toward destructive damages. Gradual calamities are the most dangerous, as they are inconceivable. Thus, my statement in Elbasan was not made with an electoral aim.

I was surprised by Mr. Selami's statement. The Council of Europe is not a [words indistinct]. The Council of Europe is an institution, the temple of European democracy, that is based on principles and democratic values and functions on the basis of openness, not private talks in cafes.

In the latest evaluations by the Council of Europe commissions, Albania was assessed as a country that could possibly become a member of this institution fairly quickly. There are only two conditions, one of which has been fulfilled. The first is the penal code, which has been approved in conformity with the remarks made by the Council of Europe; the second, which is the code of penal procedure, is on its way to being approved,

As regards Mr. Selami's problem and his forewarned secret, I can say that the Council of Europe has not officially presented anything. The Council of Europe is

an institution not that influences the judiciary in a country but that demands the independence of the judiciary in a country.

The Council of Europe has not presented any conditions for the constitution. The official document from the Council of Europe commission states that Albania has no legislative or constitutional void and that it has eight constitutional laws that guarantee a parliamentary regime, human rights and freedoms, the division of powers, and the independent functioning of courts. This is the Council of Europe's conclusion on the constitution problem.

The third question posed by Mr. Bataj was about the constitution problem. I think that the Democratic Party [PD] has made more than powerful efforts to establish a constitution. The PD program states that we are committed to drafting a constitution that respects human rights and freedoms and guarantees the division of power and the independence of the judicial system. This definition was derived from the fact that no political force can predict whether the constitution will be approved, if it is judged objectively and realistically.

Nevertheless, we were committed to a strong and intensive process to approve the constitution. After the Human Rights Charter went to the parliament and the Socialists walked out in order to show their anti-Helsinki reflexes and to provoke early elections, we sent the constitution to parliament on 13 June 1993. Their reaction was to abandon the parliament for four months in order to provoke early elections.

After this, here in front of you, I suggested a constitutional assembly. Their reaction was to concoct a constitutional-presidential plot at a time when, under the current constitutional provisions, there was no article or clause to authorize the president to decree a constitutional assembly. The constitutional assembly would have had to been an exclusive feature of the Albanian parliament and would have had to have been set up according to the parliament's criteria.

Then, in full compliance with the constitutional provisions—since they allowed this—it was decided that the people would be addressed in a referendum. Despite the result—as I have said and am reiterating here again—I will not criticize the decision for a referendum because I think that our major goals should be not power but, rather, setting up democracy and power in order to build democracy. Because, if we consider it from one viewpoint, we were the majority. Laws were being passed in the parliament. Just like many other European countries that postponed the constitution problem, we saw that we too could have done so. However, we did not postpone the problem. We tried, and will continue to do so in order to have as many possible judicial solutions—of course, without accepting early elections, because we just cannot accept this.

What was our goal following the referendum? Again, only [word indistinct] of democracy. Here, in front of

you and several days ago with political parties, I declared that the draft constitution, which the people rejected, had been withdrawn. I even proposed to the constitutional commission that drafted the project to set up a new commission and choose, as a compromise, one of the 15 variants on the division of power. What was the opposition's reaction?

The reaction of the opposition was this: First, they agreed to set up the commission and we made concessions in setting it up. We compromised, and it was good. The next day, they withdrew their statement that the constitution should be sent to the parliament. If this parliament does not approve it, then it should be passed to the next parliament. There is always the obsession with the 31 March elections.

Then we ended up in an unlawful commission, unlawful... [pauses] in a word: in a commission, thus violating Article 44 of the Constitutional Provisions, which determine in a [word indistinct] way that the commission for drafting the constitution should be approved by the parliament. We elected another [words indistinct] to block it, but they were not able to block it.

Of course, we should be... [rephrases] broader consultations are necessary both in the political strata at home and with international experts, just as a broader consensus for a referendum is necessary. To think of excluding people that voted against it is unacceptable. If one of these experts found a single case where the constitution had not been approved by a referendum and the people were deprived of their right to this, I am not aware of it. In all the cases, [words indistinct]. France has done this, as well as many other countries. It should not be thought of like this. I think the referendum is being misused. The people have their own restraint. The Norwegian people said no to Maastricht at a time when other European peoples said yes. This does not mean that Maastricht is a treaty not to be passed or that the Norwegian people are anti-integrationist and have anti-European tendencies. On the contrary, this is a [word indistinct]. The same occurred with the draft constitution. Thus, the draft constitution was good. The people said no [words indistinct].

[Antoneta Malja] The opposition [words indistinct] that the people come out [words indistinct] why this was passed over in silence? I would like to know your opinion on the Socialists' stand on Council of Europe membership, as this problem was discussed before.

[Berisha] I am convinced that the Socialists are completely in favor of joining the Council of Europe. At a meeting with a Council of Europe delegation a year ago, the Socialist leadership came out against Albania's admission into the Council of Europe. This has been made clear to the commission, and the commission passed it on me. However, at the same time, the Council of Europe commission also said that Zhirinovsky has not carried out such an act.

The truth is—and we should say it here—that this kind of governing by them was criticized by the Council of Europe delegation, which expressed its surprise and stated its objection [words indistinct] and many influential members and leaders of the Socialist Party [PS]. Confronted with such a situation, they realized that the Council of Europe is not an institution that can define the desires of certain individuals but that it is based on certain criteria to enhance democracy and its values, as well as the market economy.

Under the circumstances, they changed their position and, as far as I know, have repeatedly stated that they support Albania's membership in the Council of Europe. This is more or less how the Socialist leadership came to favor Albanian membership.

[Unidentified correspondent] How would you characterize the current situation in the Balkans regarding recent developments, such as Papoulias's visit to Albania, the Macedonian comments regarding your statements about the Slav minority in our country, and the EU-Turkey agreement on a customs union?

[Berisha] The Balkan countries are experiencing a very difficult time, which could lead to a possible Balkan war. The situation is extremely dangerous, particularly in the north. The decision of the Croatian Government and President Tudjman to withdraw UNPROFOR [UN Protection Force] could complicate the situation beyond anyone's expectations. I am convinced that President Tudjman and the Croatian Government are not trying to start a Balkan war, and that they have the full right to exert control over Croatian territory.

The question is whether they would be able to prevent a broad confrontation when they have to face more dangerous demons of nationalism in Europe—such as Karadzic. Thus, in my opinion, finding a compromise to guarantee that an extensive conflict does not break out in the north would be the most imperative solution, to avoid a much broader conflict and a destructive war in the north that would spread to other areas.

Unlike the developments in the north, there are also developments in the south, particularly in relations between Greece and Turkey and the EU and Turkey. I think the latest agreement between the EU and Turkey is a great achievement for Turkey and for the president of the EU, for Europe, and for the region as a whole. I am convinced that this will have a positive influence on Greek-Turkish relations, which has an undeniably positive value for the situation south of the Balkans.

On the other hand, developments between Albania and Greece are positive. We think and have always thought that there exist real chances to improve relations between the two countries. The visit by Papoulias is welcomed. I am certain we will reach concrete results. Despite a period of... [changes thought] and the current

problems and the difficulties that Albanian-Greek relations have experienced, there exists a certain amount of room to progressively improve them.

I think the same about Macedonia. During this period, one moment is very important: that the leaders and the Balkan people take greater responsibility for themselves. In this way, they will be able to contribute together with the international community. Taking over the [word indistinct] responsibility first of all implies to oblige themselves to use the models of those countries that have had troubles and have resolved them by obliging themselves to overcome [word indistinct] and not turn them into apples of discord but enter [word indistinct]. Thus, greater flexibility is needed.

Kosova has become a massive problem. Personally, and [word indistinct] as government, we encourage and insist on dialogue between Prishtina and Belgrade. President Rugova and the political forces in Kosova are determined to achieve a democratic solution. Is not dialogue the means or the main mechanism of a democratic solution? Undoubtedly, dialogue is one of the most important. A dialogue between Prishtina and Belgrade in the presence of a third party could not be completely fruitless. We should not proceed from that prejudice. I think we should proceed toward solutions. We should fight for solutions.

There are two goals—there are maxima, but there are (?optimums). Let us think [words indistinct] the case when all in the Balkans would be maximally [word indistinct], where our peninsula would go with the logic of maxima? We should aim at reaching the maximum, and the optimal things are the development of the values of democracy, democratic institutions, recognition of freedoms and rights, as well as not violating national and human borders, not violating borders through violence. Thus, today, more than ever, the level of responsibility has [words indistinct] itself and is greater in the commitment to resolve contradictions, objections, and troubles, and view the future.

[Xhevdet Shehu, Voice of America] Mr. President, I would like to return to the issue of the constitution because four months after the referendum, it has turned into an incongruous pressure on the Albanian political scene. Although you called the commission that had compiled a draft by four parties of the left opposition anticonstitutional, a more direct question would be: Have you read this draft, and what is your opinion on it? Do you think Albania will have its own constitution before 1996, before the next elections? Thank you.

[Berisha] I did not call the commission anticonstitutional. I stressed that, according to Article 44 of the Constitutional Provisions, the commission that drafts the constitution should be appointed by the parliament. It is up to me to respect the institutions. I can read literature, history, or other things in my spare time, but as president and an official, I should respect the institutions.

Will Albania have its own constitution before 1996? I believe that my will and desire have been clear. I wanted Albania to have its own constitution in 1993, when the constitution went to the parliament. However, this did not happen. My desire was that Albania have a constitution on 6 November. Again it did not happen. I will again try to see that the country has a constitution. Of course, this will require finding the most acceptable options, or broader acceptable ones, and will raise the need to reformulate and draft more acceptable projects. Thus, I can say that no international expert or institution can advise me that there should be a rush regarding this problem. This cannot be a hasty process. The constitution cannot be an untimely process.

[Lulzim Cota] I would like to return to the issue of relations with Greece. Can you tell us in a more concrete way what issues will be discussed by the Albanian side at the meeting with Papoulias, and how do you assess the letter from U.S. State Secretary Christopher sent to Papoulias? Has there been any signal from Washington for Tirana regarding the fruitful visit of Papoulias? Thank you.

[Berisha] We are open to dialogue and welcome the visit by Mr. Papoulias. I think there are a series of problems that may be discussed. It is important that the agenda of discussions contains topics that can be resolved. However, we should also consider something else: the fact that this visit is following a period of coolness and real aggravation of relations in itself constitutes an expression of a will to improve these relations. As such, I think this visit will mark a large (?step), and we expect the visit to do so—that is: mark the reestablishment of good faith that is important in resolving other problems.

Second, as regards the Washington-Athens correspondence, this a problem that does not concern us.

Third, I am sure that the U.S. Government and the EU have shown and are still showing an extremely great interest in the approach and friendly cooperation between Albania and Greece. I believe this to be a very legitimate interest that is favorable for our two countries. I do not see any tendency to dictate; on the contrary, I see a very serious concern with contributing to the stability of a turbulent peninsula.

[Unidentified correspondent] Mr. President, based on your policy, how do you assess the PS proposal on an alliance with the PD?

[Berisha] I am against the coalition, and I am categorical on this point. First, I would like to stress that the comparisons that the Socialist leadership is making in favor of a coalition by comparing Switzerland with Albania are unsuitable for Albanians because they remind them of Enver Hoxha's calls to get down to the hills and the mountains and make them like Switzerland. Even, Enver Hoxha when he was 75 years old [words indistinct]. We are not in Switzerland. Switzerland enjoys a 100-year-old democracy. We are a democracy, a

thousand-year-old nation with three to four years of democracy. No kind of comparison should be made. Switzerland has not experienced genocide and dictatorship like Albania has. Switzerland did not experience 1991. Thus, in this respect, the programs are based on Marxist principles on the one hand, and on the principles of Western philosophy on the other. However, many other factors make [word indistinct] and impossible every kind of coalition between these two political forms.

To enter into a coalition with the PS means to serve the establishment of communism in Albania, because Marxism and its principles made primitive communism aggressive. It was pretty ironic when a Eurosocialist stated that they will not allow communism to return at a time when Marxist principles were declared as their platform.

Who caused communism to turn from primitive into aggressive: De Konni or Marx? To be honest, I have another concept that I fully rely on. Even if there had been no incompatibilities in the program, I would not have wanted the country to be governed by two large political forces without a powerful opposition. We should develop democracy. The history of democratic development has shown that democracy generally develops successfully where there is a strong power and an opposition. Thus, the call made recently by the PS neither surprises me nor causes me to waver on the position I took and intend to maintain in the future.

[Hamdi Jupe, ZERI I POPULLIT] Mr. President, am I to understand that you identified the PS with neocommunism? If this is true, will you accept the people's choice if they vote for the PS in future elections? And second: As far as I know, the parties represent these alliances. You are a PD Presidency member. If the party itself favors allies, will you be able to prevent it?

[Berisha] I will begin with your second question. I am not imposed on anyone. I would not find myself in a party that would accept an alliance with you. To be sincere, this was proven—1991 was a year of mourning for Albania, and it was an evil year. It was the year the country went with the alternative—to be or not to be. Perhaps the (?people) did not realize this because of their prestige and credibility, but crime left the camps and filled the streets. The land was left barren, 60 percent of the budget was maintained by contributions, and the people neither produced nor distributed any assistance to the country. Such a history cannot be repeated. I hope that, from the very first days of my political career up until now, you have not found in any case that I have not respected the law and the people's choice. I have been and will remain loyal to the law and to the people.

[Unidentified correspondent] I hope that you were made aware of a fruitful meeting between the government and the [Union of] Independent [Albanian] Trade Unions [BSPSh], since this meeting envisaged revisiting issues that were sanctioned in an agreement signed some time

ago by the government and the BSPSh, which anticipates to index inflation, increase wages, etc. I also hope that you were notified about a hunger strike in the Berat textile complex and a series of other demands that came from the presidency of our trade union regarding protests by various staffs on privatization, employee treatment, and the administration of enterprises. Mr. President, I would like to ask if you see government-trade union relations in the same light, particularly with the BSPSh, or do you think that the time has come for a qualitative change?

[Berisha] I see no reason for qualitative changes. On the contrary, I favor dialogue between the government and the trade unions, which have played a great role in consolidating democracy and have extraordinary merits. I would like to congratulate them because they are among the trade unions that mostly support the market, the market economy, and privatization. Through dialogue, some of the demands—I cannot say all of the demands, as that is difficult—can and should be resolved. I am convinced that the government is committed to resolving the possible demands of the trade unions.

[Blendi Fevzi, ALEANCA] Mr. President, former PD Chairman Eduard Selami has stated in the press that you initiated his dismissal at the extraordinary conference. What made you change your stance, especially when Mr. Selami had tried to resign at the PD National Council meeting but you were against it? And second: In weapons trading organized by the Defense Ministry, which there was much fuss about, parliament responded that arms trading is carried out only by the authorization of the High National Council of Defense. As chairman of this council, have you authorized, given a mandate, or signed such a mandate for the Defense Ministry?

[Berisha] Regarding your first question, I think that the extraordinary conference provided the answer at a time when, out of 660 delegates, 19 were in favor of the Selami option. Two to three percent were in favor of that option, while the others were against it.

Regarding your second question, the government, not the president, directs all of Albania's economic activity. The president does not have an economic function, so legally it is not I who authorize or issue the licenses. It has a function [words indistinct]. The Defense Council may determine principles, but never concrete acts that have to do with economic activities. It does not possess this prerogative.

[Selami Spahiu, ATSh] Do you think the Socialists will vote in favor of your decree on securities, the privatization bonuses? And do you really believe that communism could possibly return to our country?

[Berisha] Apart from the Socialist leadership—and I am convinced that the Socialists will like it—the majority of PS members have welcomed the decree on securities. However, the Socialist leadership has prejudiced the act.

Why? First, we have to deal with a group that was deprived of privileges and cannot accept equal chances for all. After all, what are the securities? They are an access and equal rights to all people or a great contingent of the population to enter privatization. However, those who were privileged but were deprived of them cannot claim to be equal.

Second, there is a big conceptual distinction in their program regarding ownership issues. Socialists favor the domination of state property over private, as they do not want the individual to be dependent on the state. The most typical and flagrant example was the Land Law. They agreed on land distribution but not on ownership. After debating for two weeks, when the PD parliamentary group decided to walk out once and for all from parliament, they were obliged to accept land ownership so that the peasants could own their land. They have this, as this derives from the principles of Marx. Read what it says: They are completely against private property.

Third, I would like to ask you: What measure, law, or act of the reform have they supported? They have adopted and continue to adopt an unwavering stance against the reform. This is why I am not surprised. I did not expect them to support the distribution of securities. I am convinced that by being distributed to all Albanians according to absolutely nonparty criteria but on criteria that approximately consider the contribution, the securities will find a broad support in all Albanians that will profit from them. Approximately 70 percent of national property—if we consider land—has been distributed. We should not forget that it has a higher value. The other part will be divided among those who have not taken any land and have worked in state enterprises according to the criteria defined by the government.

Are there any communist dangers? No. Communism cannot come back. History condemned it, and still does today. Those Albanians in Spac and Burrel can never be repeated. Isolation, collectivization, and class struggle can never be repeated. However, there exists another danger—neocommunism. Albanian neocommunism is undoubtedly one of the ugliest communisms on the continent. The year 1991 showed very well that there existed an Albanian neocommunism.

Why does such a danger exist? Again, their program lists Marxism first. Second, let us consider their stance toward the democratic developments in Albania. I think this is unprecedented at a time when the majority of European democratic countries support and assist Albania and encourage and assess its changes, its steps, and declare that the aid has been used successfully and with efficiency. This is all at a time when international institutions consider Albania to be a surprise success with the reform, knowing that it is the poorest country. They all know this. However, they have indices and have not taken them from the State Control Commission but from their delegations who visit the country.

In their press and in their attitudes, there is nothing of affirmation. Everything is nihilist and destructive,

including the disguise against the five-day work week. Read their papers when the five-day work week was established. What do they say about it? Look at their attitude toward the laws. What is the stance of the current Socialist leadership toward the laws?

During this period, Albania endorsed hundreds of laws, drafting them in cooperation with international institutions and with their expertise on the most part. There were no remarks about them. Every day you read in their press statements that they intend to change the laws. What laws will you change—the laws of European standards, the Human Rights Charter? Are you perhaps putting forward the question to substitute them with neocommunist laws? Why do you want to change the laws?

We did not change the laws, the ones that were approved at the pluralist parliament. We respected them. When we were a minority, we fought for the country to have democratic laws, and we accomplished this, more or less. So, what does it mean to change the laws? What laws will be established here? Can you tell me this?

Thus, the neocommunist danger is real, and it is evolving today by the current Albanian socialist leadership with its platform and stance. Communism has been condemned by history.

[Unidentified correspondent] The Arsidi trial is expected to resume in the next few days. The press has printed several times that even if you are not involved in this offer, you may at least know the secret behind the scandal. On the other hand, you have received a decoration. Do you think this decoration serves as a moral mandate, at least for those people who supported Arsidi? Can you explain under what circumstances you received this decoration? And second, as a PD member and a person that drafted the party's program and statute three or four years ago, and as a man that confessed today of being loyal to laws and the people's choice, under what conditions and arguments did you accept on 5 March that the PD statute had been violated? I am referring to the voting to dismiss Eduard Selami, which was open and not according to the statute.

[Berisha] The first question is related to Arsidi. It is true that I did receive a decoration from Courtesy Francaise. However, before accepting the decoration, I personally talked with Albanian and French officials here. Both sides had positive things to say about this person, who has also awarded others, such as Italian President Sandro

Bertini, according to the documents he presented. He was an adviser to various personalities, and I am convinced that neither the Albanian nor the French authorities perceived him as a deceiver or a man involved in mafia activities. They had no knowledge of this.

Second, it is precisely the Meksi government that terminated all the contracts that Arisidi had signed with other governments. It was precisely after 1992 that his entire activity in Albania was blocked.

Third, it is the same government, or this power, that has penalized all those who are included in this scandal.

Fourth, the Albanian judicial system has a complete file of all actions undertaken, and I am sure it will make it public in the upcoming trial. Everything else is slander. We inherited a corruption, to which we stood with maximal correctness and we will do so. This is the truth.

Regarding the procedure, I do not know where you think the statute has been violated. No violation of the PD statute has really occurred. The PD statute does not determine the voting on motions, but determines only the election, which varies among two or three candidates, the election, not a no-confidence motion. If you want my opinion, the motion was a vote on the line and represented a line that won only 3 percent of those present at the conference. This was the motion.

In all cases where there are shortages in the statute, the extraordinary conference or the party assembly are plenipotentiary to decide and make completions because they are, according to the statute, authorized to change the statute. That is why there has been absolutely no violation. On the contrary, as there was a statutory lack on the problem of the no-confidence motion, the conference voted whether to vote openly or secretly. The ballot, with a great majority of votes, decided to be open as a motion. In principle, motions are open. In parliaments, motions are open. Perhaps there are secret ones. This is in general, as there are various practices.

The problem of UNPROFOR in Croatia is a very delicate and dangerous problem at the moment. For now, it may work... As I stressed, I am convinced that the Croatian Government is not proceeding from this stance. I am also convinced that it may not be able to prevent such a large escalation of the conflict.

A war between two Balkan states would have an unprecedented projection, not only in the Balkans but also beyond the Balkans, as a projection in the political stances and in many other factors.

Cabinet Approves 5-Year Russian Oil, Gas Deal*AU1303201495 Sofia 24 CHASA in Bulgarian
10 Mar 95 p 17***[Article by Ralitsa Kuneva]**

[FBIS Translated Text] During the next five years, we will import 5 million metric tons of petroleum annually from Russia under an agreement with Moscow on joint structures for oil production that the cabinet approved yesterday. Later, the two sides will jointly draw up the list of organizations that will sign contracts under the agreement. However, the two governments will not be responsible for the companies' fulfillment of their obligations.

A delegation led by Nikita Shervashidze, chairman of the Committee on Power Supply, has left for Moscow to negotiate the signing of the agreement, which will be automatically renewed unless either side asks, six months prior to the expiry date, for it to be ended.

Deputy Prime Minister Kiril Tsochev announced that Bulgaria is insisting that its share in the joint gas company formed with Moscow should be calculated according to the market prices of the gas pipelines constructed by the Bulgarian side. Russia, on the other hand, reportedly suggested that our share should be calculated on the basis of the residual value of the installations. The government will hold negotiations on our share participation only after a revaluation of our capital assets.

Energy experts recall that the agreement between Bulgaria and Russia for the supply of gas expires in 1996. Russian gas accounts for 99.5 percent of the gas used in the Bulgarian economy. The international price of gas is \$85 per 100 cubic meters. A source from the Committee on Power Supply commented that this is expensive for Bulgaria. The amounts of gas that we receive as compensation for permitting the transit of fuel across our territory are most advantageous for us as regards price. Before the end of March, an agreement will be signed for the transit of Russian gas across Bulgaria to Macedonia [The Former Yugoslav Republic of Macedonia] and Greece. The cabinet has also authorized Shervashidze to sign an agreement on the use of nuclear power for peaceful purposes when he is in Moscow.

Funds Shortage Threatens Air Force's Existence*AU1303211095 Sofia TRUD in Bulgarian
8 Mar 95 p 13***[Article by Vasil Lyutskanov: "We Are Destroying Our Combat Aviation Without a War"]**

[FBIS Translated Text] Never before has our military aviation been in such a wretched state. About 60 percent of our combat aircraft are immobilized in the hangars and along the runways.

According to the Paris Treaty on Conventional Armed Forces in Europe, our Air Force is supposed to have 235 combat aircraft and 67 strike helicopters. Our helicopters number only 44, and we cannot even think of obtaining any more in the near future. During the past four years, no money has been available even for importing spare parts for our combat aircraft from Russia, yet 70 years ago Bulgaria was the first country in the Balkans to begin to build airplanes.

For six years now, the Air Force has not been supplied with any new equipment, munitions, or missiles. In the period 1986-88, we received 36 Su-35 ground-attack aircraft for Bezmer Air Base, and in 1989 we took delivery of 18 fourth-generation MiG-29 fighters for the Ravnets base. These planes are still capable of inspiring respect in our southern neighbors and guaranteeing that our nation's skies remain peaceful.

In 1986 Colonel Georgi Lyubenov, chief engineer of the Bulgarian Air Force, handed in his resignation in a showy manner and left the service to mark his disagreement with the Air Force commander of the time, Colonel General Lyubcho Blagoev (now deceased). Gen. Blagoev insisted on buying two squadrons of MiG-23 aircraft for the 15th Fighter Air Regiment based at Balchik and Ravnets. Col. Lyubenov warned him that if we were to miss the opportunity to buy fourth-generation MiG-29 fighters, we might never see them on our air bases. Thank God, the view prevailed that our Air Force needed fewer but more modern aircraft.

In the last three to four years, Turkey has replaced 30 percent of its military aircraft, while Greece has replaced 40 percent. In all, Ankara received 115 aircraft and almost 240 helicopters, and Athens obtained about 200 aircraft. During the 10 years up to the end of 1994, the Turkish TAI aircraft plants produced 160 U.S. F-16 fighters. Our southern neighbor manufactures 75 percent of all its aviation equipment. In 1995 a new program started for the manufacture of 80 advanced F-16 planes—for which the United States granted Ankara \$3.5 billion from the compensation fund for the "Desert Storm" operation in the Persian Gulf.

The state-owned company Hellenic Aerospace Industries is working with more than 70 regular clients from 20 countries. For 1995 Washington has promised Athens almost \$260 million in military aid, and has promised Ankara \$328 million. The Czech Republic has earmarked \$4.45 billion for modernizing its army before the year 2005. The Czech Aero Vodochody plants suffer from no shortage of customers for the enterprise's military trainers and transport aircraft. Romania is doubling its military budget for 1995, and Turbomecanica's plants are producing their IAR planes nonstop.

In the last four years, the Bulgarian parliament has passed military budgets that severely restrict our pilots' flight training. Now, our pilots are directing their efforts not towards improving their training standards, but toward ensuring their physical survival, commented

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Major General Ivan Parapunov, combat aviation commander. Last year the Air Force lost three aircraft in crashes: a MiG-33 near the town of Rakovski in August, a MiG-29 near Burgas in September, and a Mig-21 near Balchik at the end of December. The loss of a single MiG-29 costs the state about \$30 million.

At the beginning of 1994, Air Force Commander Lieutenant General Mikho Mikhov issued a warning that a minimum of 5 billion leva was needed to enable our combat aviation to survive. At that time, 31 percent of the fixed-wing aircraft and 46 percent of the helicopters were unserviceable. Gen. Mikhov asked for 3 billion leva to buy spares for his aircraft, 1.5 billion leva for the air defense missile troops, 5 million leva for the communications troops, and 25 million leva for the radar troops. He also warned of the increasing personnel crisis in the Air Force, commenting that it will be tragic if in 10-15 years we have to import aircraft designers.

Last year, the Berov cabinet was only able to give promises regarding the 3 billion leva urgently needed to save our military aviation. Reneta Indzhova's caretaker cabinet at least provided fuel for the winter period. As long ago as last August, the present Prime Minister Zhan Videnov promised the Army a budget of 49 billion leva. The cabinet has promised to announce the budget framework for 1995 by 20 March. It will then become clear whether the election campaign promises were blatant demagoguery or real intentions. As the old folk saying goes: A poor army means a weak state.

Confrontation Between Cabinet, BSP Viewed

AU1303172695 Sofia DUMA in Bulgarian 8 Mar 95 p 5

[Untitled commentary by Mila Manova under the "Here We Are Again" rubric]

[FBIS Translated Text] The Socialist government has not yet published its government program. The 100 days of grace are not yet up, but the media are full of impatient analyses and forecasts. Despite the fact that the Socialists were elected precisely because of the prudent nature of what they offered, our society is all too ready to embrace illusions about a rapid improvement of the economic and social situation. This contradiction between expectation and reality, however, is not, in fact, our biggest problem at present. Such contradictions exist all over the world today—from the poor countries to the rich. The bigger problem today is in the nature of an intrigue. It revolves around the issue of where the internal center of power within the Bulgarian Socialist Party (BSP) should be. Behind this issue is hidden a more significant one: whether the program on which the party based its election campaign should be implemented or whether that program should quietly be replaced by half-measures.

There is a danger that the direction and goals in whose name the Socialists and their partners assumed power could be lost in this dispute. Last week two political

science forums discussed this subject. A scenario is being imposed on public opinion that more or less implies that it would be bad if the BSP Executive Bureau and Supreme Council were to interfere too much in the work of the cabinet. Those organs have closer links with the voters and are therefore more vulnerable to pressure for populist but impossible measures. In addition, it would mean the old merging of the party and state. One newspaper even bore the headline "Protect Zhan [Videnov] From the Socialists."

In short, according to this scenario, the sphere of ideological consolidation that exists in the party's political bodies would become an obstacle to the executive power's pragmatic sphere. Indeed, the suggestion is that the ideas the BSP formulated in the past for the country's development have today become a serious burden because of the limited possibilities for practical action. All this is accompanied by signs of personal intrigues, hatred, and tacit struggle between representatives of the Executive Bureau, parliamentary faction, and Council of Ministers. DUMA has been portrayed as a fourth pillar of informal influence that could tip the scale toward one of the three sides of the power triangle. There could be a measure of truth in these suggestions, because the mechanisms of cooperation between the cited bodies have not yet been worked out, and the responsibilities have not been precisely defined and distributed. If we assume, however, that these contradictions are insurmountable, we should part company with the parliamentary democratic system. In the final analysis, the practice of the world democratic system shows that such frictions can be resolved in a number of ways, in accordance with the political traditions of the society in question. These solutions, however, do not require us to relinquish a political program in exchange for a government program, as some people are now quietly trying to suggest.

The Socialists are about to hold a plenum. There, they must restore order to the Socialists' kitchen. Perhaps this is what stimulates political scientists, politicians, and commentators to try to be experts in party construction. For example, some of them believe that the commissions sitting at 20 Positano Street [BSP headquarters] are duplicating the work of the ministries, and interfering with their work. Why should the majority produce a single cabinet, not make any corrections or changes in the team that has been formed as a result of its mandate and stand so far aside that it loses its own responsibility as the election victor. This is an absurd interpretation that renders the election process itself devoid of meaning.

On the other hand, the prerogatives and confidence given the government require a certain time and perspective before the government can begin to work. The government has just started its activity, has not fully assumed power and has not thoroughly examined the various levels of power. Nevertheless, certain people have created for it a competitor in its own rear.

Evidently, this public situation created in recent weeks is not going to produce the envisaged confusion. In the last five years a style has taken root in the BSP according to which problems are placed openly on the agenda and their rational solution is openly sought. Indeed, in Bulgaria the BSP is currently the only party that has really become consolidated as a political force. Pressure from the grass roots and the willingness of supporters to be a decisive factor is inevitable. The party leadership brings together all three sides of the triangle with its program.

This program does not contain rosy promises, but neither does it relinquish a specific type of government and values.

How this program would be implemented and at what stages this implementation would take place against the background of our country's reality is something the government is yet to address. Why, then, are certain skillful soothsayers trying to resolve the issue before the government has dealt with it?

Klaus on ODS, Benes Decrees, Meciar Meeting
AU1403075595 Prague LIDOVE NOVINY in Czech 10 Mar 95 p 3

[Interview with Czech Prime Minister Vaclav Klaus by Eva Martinkova; place and date not given: "The ODS's Standpoint Proceeds From the Wishes of Our Citizens"]

[FBIS Translated Text] [Martinkova] The stance of the Civic Democratic Party [ODS] on church restitution looks uncompromising. It seems to be unacceptable to certain coalition partners. Is church restitution worth a conflict in the coalition?

[Klaus] I think the ODS's standpoint is sensible. I view the stance adopted by the Christian Democratic Union-Czechoslovak People's Party as uncompromising. We have merely conceptually recapitulated our standpoint into the form in which our executive deputy chairman recently explained it. I think it is more a step forward. I am convinced that this standpoint is fair. Any other course of action in church restitution would mean a change in the status quo, and I do not think a change in the status quo is what the citizens of this country want.

[Martinkova] So, the ODS will uphold this standpoint even if it should mean a major conflict within the coalition?

[Klaus] That is a futile question. I have said clearly that I am convinced that we are obliged to defend this standpoint. We are obligated to the citizens of this country, and not to some ideological or party blindness.

[Martinkova] Mr. Dreithaler intends to appeal to international institutions against the ruling of the Constitutional Court, which upheld the validity of the Benes Decrees. What is your assessment of the court's decision?

[Klaus] I am very pleased that much-needed harmony between the constitutional, political, and civil interpretations was expressed. This is a rare moment and an incredibly important signal for abroad. Unfortunately, I am also convinced that an appeal to international institutions will undoubtedly contribute to damaging the Czech Republic's image in Europe.

[Martinkova] Is the date of your meeting with Vladimir Meciar known yet?

[Klaus] You are all constantly goading me into announcing this date, but perhaps it is obvious that the issue does not involve the date and a formal handshake and wishing each other all the best in future political dealings. This meeting requires intense preparation because it should not be merely a reiteration of the unresolved issues but should make progress. Recap meetings have been taking place constantly at the individual ministerial or ministry level since the new Slovak Government entered office. The task of resolving this or that completely at the prime ministerial or government level ensues from a number of them. But we are still not at the stage where we know what is resolvable and what the meeting can really bring. Therefore, there is no reason to hurry with the meeting.

[Martinkova] With what feelings are you leaving for the world social summit in Copenhagen? After all, you are rather skeptical about the practical impact of such meetings.

[Klaus] I am indeed skeptical. Such meetings have a major impact in lobby negotiations outside the main assembly hall. It is a major advantage that heads of state and government come together in one place and talk to partners with whom they would otherwise not meet. The meeting's organizers are certainly also skeptical about its being able to change the social situation in the world, especially in the developing countries. It would be good if the declarations made at this meeting, which have a certain weight in the world, were to succeed in wiping away certain slogans of past decades. This was an era in which far more faith was placed in the power of state ownership and central planning and in which far less faith was placed in individuals and private ownership. In this regard, I hope the conference will reflect the spirit of the 1990's and not the spirit of the 1950's, 1960's, and 1970's. That in itself would be a plus. This conference will undoubtedly say something completely different about social development as a domestic task and not as a task for foreign aid. In this sense, too, without a doubt, there has been a considerable shift in the recognition that the role of domestic development is the main one. The role of external aid is just a marginal one. My speech at the conference will be about this.

Meciar Receives Russian Security Council Secretary*LD1303175695 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1600 GMT 13 Mar 95*

[FBIS Translated Text] In Bratislava today, Prime Minister Vladimir Meciar received Oleg Lobov, secretary of the Russian Security Council.

On this occasion Meciar stressed that trade contacts with Russia could significantly help, above all, Slovak engineering enterprises that had been affected by conversion of arms production.

Lobov noted after the meeting that it was the aim of his visit to establish closer cooperation in the sphere of military technology and scientific-technical activity. He expressed the hope that his three-day visit to Slovakia would result in the solution of a number of economic problems that interested both sides.

Foreign Ministry Protests Iranian 'Distortion'*LD1303182695 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1600 GMT 13 Mar 95*

[FBIS Translated Text] The Slovak Ministry of Foreign Affairs has strongly protested against casting doubt upon the foreign political orientation of Slovakia in the viewpoint that was granted to TASR today by its spokesman, Juraj Matejovsky.

It says that, in connection with the visit to Slovakia of 'Ali Akbar Velayati, minister of foreign affairs of Iran, information appeared in Iran's mass media that casts doubt upon the orientation of Slovakia to Western and transatlantic security structures, including NATO.

The Ministry of Foreign Affairs strongly protests against such distortion of Slovakia's foreign political interests.

Commentary on Havel's 'Certain Concern'*AU1303201695 Bratislava SLOVENSKA REPUBLIKA in Slovak 10 Mar 95 p 1*

[Commentary by Jergus Ferko in the "Public Matter" editorial column]

[FBIS Translated Text] It is hard to say how many times Czech President Vaclav Havel has been "slightly concerned." Meeting Slovak President Michal Kovac at Lany the day before yesterday, Vaclav Havel expressed "certain concern" over "certain phenomena" in the domestic political situation in Slovakia that "arouse concern as to whether everyone there has adopted the tried-and-tested principles of democratic behavior." There is nothing new under the sun. The former older brother cannot stop his sermonizing and haughty giving marks for behavior even after his sibling reached adulthood. After the split of the CSFR, Slovakia has become for Prague a grateful topic for making political capital vis-a-vis the West, by pointing out the contrast between the ("flourishing") Czech Republic and ("the eternally

problematic") Slovakia. Official Prague is tactically silent about the fact that, in the score of political scandals, the Czech Republic leads Slovakia by a wide margin.

The Slovak citizen, steeled by the fire of federal propaganda, will tell himself: Well, everything is all right, the head of the Slovak Republic is there, and he will not stand idly by and watch the tutor's lecturing. Unfortunately, Michal Kovac was not able to react adequately. While in the case of the notorious letter to William Orme he could at least partially put the blame on the carelessness or blunder of his subordinates, this time he has no such crutch to lean on. The Slovak president's (non-)reaction came personally and spontaneously. One would hardly find in the world a similar example of the president of a sovereign state allowing the washing of his country's dirty linen in his presence. It would have been enough to highlight the fact that the current Slovak coalition is evidently more stable than the Czech one or to voice "serious concern" about the situation of the Slovak and German minorities in the Czech Republic. After such a slap on the wrist, for which the Prague politicians are literally begging, they would perhaps stop their favorite pastime of painting Slovakia in such dubious colors.

Dirty linen, if there is any, should be washed at home.

Meciar Seen Using Budget Cuts as Punishment*AU1303205795 Bratislava NARODNA OBRODA in Slovak 9 Mar 95 p 1*

[Editorial by Jan Fule: "Price of Disobedience"]

[FBIS Translated Text] When Vladimir Meciar was only bracing himself to become prime minister for the third time, he called the Constitutional Court of the Slovak Republic "another sick element on our domestic political scene." He said this in the seat of the president of the Republic, in the capital of the Slovak Republic.

Let us start with the head of state. In the budget, he was not given enough money to perform even his present duties. Michal Kovac paid dearly for not having suspended his Movement for a Democratic Slovakia [HZDS] membership only formally. [Constitutional Court Chairman] Milan Cic, who in 1992 ran on the same ticket as Michal Kovac and Vladimir Meciar, has only been deprived of his bodyguard and his official car. He said that he did not intend to comment on this. It would scarcely help him anyway. He would only be helped if the Constitutional Court assumed a different attitude toward some cases, an attitude that would be less sick.

The mayor of Bratislava is Peter Kresanek. His bad luck is that he was not the candidate of "healthy" political forces. And the bad luck of Bratislavans is that they acted so tactically wrong as to elect him. As a result, Bratislava has received from the government only slightly less money in subsidies for public transport than Zilina, for

example, a much smaller town, admittedly, but one, it seems, that makes far more pragmatic decisions.

The value of the price of disobedience varies in Slovakia. So far, at least, as long as there is something to hand out. Or until we realize that there is not much to be keen on, and definitely not at all costs.

Colonel Reports on Army Development, Officers
*AU1303201095 Bratislava SLOVENSKA REPUBLIKA
in Slovak 10 Mar 95 p 2*

[TASR report: "The Education System in the Slovak Army"]

[FBIS Translated Text] Bratislava—There are currently 39 generals serving in the Slovak Army. According to the plans for its long-term development, it should have 40 generals, given its final capacity of 35,000 personnel. This statement was made by Lieutenant Colonel Milan Stegena, director of the Section for the Provision and Development of Human Resources. He added that the time frame for this process cannot be limited to the year 2000. According to the plan for the structure of the Slovak Armed Forces' development, the number of officers will be reduced from the current 10,000 to approximately half this number. The number of soldiers in warrant officers posts should be increased from 3,400 to 10,000, and the number of career noncommissioned officers should be increased from 400 to 5,000. "The situation in military education will develop from this structure," said M. Stegena. In connection with the reduction in the number of military education establishments, from 10 to two—one secondary school and one academy—it will also be necessary to find a place for their teaching staff.

TU Leader on Postelection Civil Service 'Purges'
AU1303200895

[FBIS Editorial Report] Bratislava SME in Slovak on 10 March on page 5 carries a 1,000-word interview with Igor Lensky, chairman of the Trade Union of Public Administration Employees, by Boris Koren, entitled "Without a Law on Civil Service, the Threat of Purges Will Be Permanent." In the interview, the place and date of which are not given, Lensky discusses personnel

changes at various levels of state administration, from ministries down to district offices, since last year's parliamentary elections.

Asked about the "extent of changes in state administration" since the elections, Lensky says: "The problem is that information of this kind reaches us in the form of signals rather than in the form of exact data. Even our local trade union committees are not engaged in any special activity in these matters, which testifies to the extremely complicated atmosphere at workplaces. Civil servants fear that they would lose their jobs if they were 'brave' and made themselves heard today. Many of them fear that they will not keep their jobs after the reorganization of public administration, that no job will be left for them when new bodies are formed. But I do not want to dodge a reply to your question. According to signals at our disposal, we estimate with a great degree of tolerance that approximately 600 personnel changes have been made in the sphere of state administration in the past months."

Lensky goes on to say that the trade unions' possibilities in standing up for dismissed civil servants are rather limited: "The position of a trade union body in the sphere of state administration is rather complicated. The Labor Code in effect makes it possible to fire a person who acquired his post through appointment at any time, without stating a reason and without the trade unions' involvement." The only thing the trade unions can influence to some extent, according to Lensky, is that the dismissed employees are offered an "appropriate" alternative job. He points out, however, that a chief avails himself of many ways of making the lives of his subordinates "unpleasant" if he decides to get rid of them and that, ultimately, such subordinates often leave themselves, at their own request.

In conclusion, Lensky expresses disappointment at parliament's failure to pass a law on public service that would introduce tenure for civil servants: "In the absence of such legislation, the present situation can become a permanent one—with every change in political power, widespread purges will occur at senior positions. The new appointees, in turn, will remove their subordinates, and the 'domino' will be perpetuated," Lensky says.

Horn Explains Tough Economic Policy*LD1303191195 Budapest Kossuth Radio Network in Hungarian 1405 GMT 13 Mar 95*

[Speech by Prime Minister Gyula Horn to legislature—live]

[FBIS Translated Excerpt] Esteemed National Assembly, esteemed fellow deputies, you must know that yesterday [12 March] the government met in special session. It is also a fact that measures of extraordinary importance were taken at this special session. We decided on important steps about which, in my view, you must be informed. [passage omitted]

You could ask whether these measures were necessary or not. In our view, the country's financial and economic situation made these steps, these measures, necessary at any price. I do not wish to dramatize the situation, but the Hungarian Republic is drifting toward an unmanageable crisis.

Furthermore, this is a process that has been developing for several years. I would like to stress that this process did not start in the summer of 1994. Without going into the figures, I would also like to tell you that it is widely known to what extent the country's internal state debt has increased. Between 1990 and 1994 the internal state debt increased from 1.5 billion forints to 3.8 billion forints, and within this amount the 1990 annual repayment of 70 billion forints increased to 360 billion forints of interest payment after the internal state debt of last year.

We will not join the row of governments that would increase this state debt further by hundreds of billions of forints. It is our resolute intention to stop this process. Otherwise we would be mortgaging the future of our children and grandchildren.

We are of the view that these simultaneous, unfavorable processes could even destroy the delicate economic recovery that started last year.

Along these unfavorable economic and financial processes, an enormous internal disequilibrium has developed. Great income differentials within society are well known to all of us. These income differentials, naturally, accompany market economies. However, I would also like to add that there are a lot of unnatural phenomena that are alien to a healthy market economy. We are well aware of the fact that while millions have been in poverty, there is a kind of egalitarian approach in the field of social provisions. [passage omitted] This phenomena is further increased by the widespread practice of tax evasion and corruption. This also has to be changed.

You are well aware of the fact that the country needs foreign resources for financing its debts, boosting growth, and catching up with Europe. Well, these foreign resources can only be obtained if our business is put in

order. We have no significant foreign partners who would not require this. [passage omitted]

Unfortunately, for years there has been no government in this country that faced these challenges and took the necessary steps. Now the socialist-liberal government faces reality and takes the necessary steps with a heavy heart, with a lot of agony. I have to say that we are prepared to face possible short-term unpopularity, which can increase after these kind of measures. [passage omitted]

We made these decisions because we have no other choice. There is no alternative to this. [unidentified voice in background says: There is...]

My esteemed fellow deputy, believe me: There is no other alternative than this. We either act, or we hopelessly drift into a situation—we can say chaos—which cannot be handled any more.

I would like to stress for you, and for the public too, that what we decided yesterday is not as a result of a kind of improvisation. The package we prepared is the result of several months' work, which was done in coordination with various Hungarian and foreign professional circles. [passage omitted]

It is also a fact that we had to use a method by which we could prevent, for example, currency speculation in connection with the devaluation of the forint—[applause] Thank you for the recognition—for it is known that a lot of people received, so to speak, illegal incomes during the forint devaluation last August. [passage omitted]

What I would like to point out in connection with the package of measures is, first: This package of measures supports growth. That is, it places economic growth in the focal point—in a manner whereby it simultaneously ensures the country's ability to function, creates incentive for growth and investments, and announces, constitutes, a predictable policy for wide-ranging representatives of the economy—and, I might add, of society.

Second: The current system of social welfare can no longer be maintained in its current form, in its current structure. For this reason we decided that the recipients of family allowances, childcare support, exemption from tuition fees, and social grants should be those who really are in need. Contrary to all other rumors, this does not mean that the government might have renounced maintaining the system of social welfare. To give just one figure: The measures taken amount—not including pensions—to scarcely five percent of the system of social welfare, expressed in specific figures.

Third: What we have done for the sake of reducing expenditures in state administration is of a larger scale than the measures taken in the sphere of social welfare.

Fourth and lastly, I should also like to add: Not only is it the government's intention, but it was also agreed, more than 10 days ago, that the government would take specific measures to reduce the black economy, or divert it into legal channels. To be sure, in the wake of this, and by means of the revenues obtained in this manner, it will be possible to help those in need, and to spend some of these revenues on welfare provisions.

Esteemed National Assembly, in connection with the plan of specific measures now being prepared, we will acquaint you and the broader public with the specific steps taken concerning the black economy—just as it is true that the government has adopted a measure to the effect that incomes at loss-making enterprises, managers' incomes, must be reined in at places where they are not supported by performance.

I should also like to point out that the package adopted yesterday is only the beginning, which means that there will be further measures—not only concerning the issue of the privatization bill being deliberated by the parliament and hopefully to be adopted in March or early April but also, as we mentioned recently, the specific plans concerning the country's modernization program, which is also being worked out and coordinated in the interest of reforming state finances, and in every other sphere that points to the economic and social development of the country.

We have set out on this path and we will proceed to its end. We, the socialist-liberal government, will do what we promised the citizens during the elections.

I should like to ask...[pauses] I should like to remind my esteemed fellow deputies from the opposition of what we said in the election campaign and program, that in 1994 and 1995 it would be a matter of our sorting out the country's affairs. Well, ladies and gentlemen, this is what is at issue.

Ladies and gentlemen, esteemed fellow deputies, I ask you, and the opposition parties as well, to be partners in the struggle we are waging for the sake of improving the country's situation, since the well-being of the country is at issue. On the social side, the organizations that represent the interests of the employees and employers, should be partners, and I would also like to ask for the support of the people, the broader public, in accomplishing the tasks. There can be clashes, confrontations with the government—but this is impossible with reality. Or at least anyone who confronted it would do so in vain. I should very much like to draw this to your attention.

In conclusion, allow me to ask the esteemed press, the correspondents and representatives of the press, to provide the public with an authentic picture of the country's true situation, of the problems awaiting solution; and I thank you for the help you have provided so far. Thank you. [applause]

Kovacs on Basic Treaty, Relations With Romania
LD1303214695 Budapest MTV Television Network in Hungarian 1830 GMT 13 Mar 95

[FBIS Translated Excerpt] [Unidentified correspondent] Negotiations about the Hungarian-Slovak basic treaties will continue in Budapest tomorrow [14 March]. Foreign Minister Laszlo Kovacs is in the studio. One of the principal disputed issues is the inclusion of the Council of Europe's Recommendation No. 1201 in the treaty. Is this recommendation, which contains the phrase, autonomy, a cardinal point or can there be agreement between the sides without it?

[Kovacs] I think not. Certain bridging solutions are conceivable but not in a way that Recommendation 1201 is not included. It is conceivable that all its essential points will be included in quotes without a direct reference to the documents, although I am convinced that for Slovakia or Romania this will be even less acceptable. [passage omitted]

[Correspondent] Cluj-Napoca [Kolozsvár] Mayor Gheorghe Funar has, indirectly, banned the Hungarian commemoration of 15 March [date of the beginning of the Hungarian War of Independence in 1848]. The atmosphere has become a bit more tense because of 15 March. Are you not concerned that it might obstruct the signing of the Hungarian-Romanian basic treaty?

[Kovacs] Unfortunately, the possibility cannot be ruled out that people determined to prevent the signing of the basic treaty at any price will launch a provocation of some kind. Therefore, we must act very cautiously and celebrate very decently abroad. We have information that a certain Hungarian organization or organizations are preparing to travel to neighboring countries. [passage omitted] I consider it to be very important to stress that they should celebrate decently. They should not allow themselves to be provoked. [passage omitted] According to our information, it is not political parties but a social organization that is organizing celebrations beyond the borders. [passage omitted]

Romanian Ambassador Views Bilateral Relations
AU1403122395 Budapest UJ MAGYARORSZAG in Hungarian 13 Mar 95 p 3

[Interview with Romanian Ambassador to Budapest Ioan Donca by Laszlo Roxin; place and date not given: "No Need for Concern"]

[FBIS Translated Text] The Romanian ambassador to Budapest, Ioan Donca, gave an interview to UJ MAGYARORSZAG on political issues affecting the two countries, including the expert talks to be held on the basic treaty in Bucharest this week.

[Roxin] What are the topics of discussions in Bucharest?

[Donca] Expert talks led by the heads of the two foreign ministries' legal departments will be held from 13

March. The two sides are expected to make further progress during these talks on the issues still pending. These issues relate to national minority rights and, considering the fact that both sides have the will, the negotiating partners will probably find the formulas that serve the interests of both countries.

[Roxin] As far as I am aware, the Romanian side is reluctant to accept Council of Europe Recommendation No. 1201.

[Donca] The recommendation of this document is not legally binding. I believe the Strasbourg national minority framework agreement that was signed by both sides on 1 February 1993 ensures the national minority rights that are acceptable today in Europe because [as published] this document has not yet been signed by a number of countries that have broad and traditional democracies. In my opinion, the Romanian Constitution ensures national minority rights in accordance with the European norms, on the highest level. Therefore, I cannot see any fundamental differences in this area between the interests of the two countries. In my view, the most important and decisive element in guaranteeing national minority rights is the unconditional loyalty of national minorities to the country in which they are living. However wisely or cleverly we would lay down the framework of these rights in international or bilateral documents, the basic issue and desire is to preserve natural and well-intentioned relations between the majority and a given minority. At the same time, allowing the principle of democracy also to prevail in this issue is the most important factor.

[Roxin] In my view, the reminder that was drawn up after the last expert talks contained mainly gross generalities and few concrete facts.

[Donca] I cannot accept this opinion because, in my view, the reminder was made on the basis of important bilateral coordination, and it contains the expedient expectations on the basis of which basis bilateral relations can continue to be built with positive factors. On the other hand, the reminder is to establish mutual trust. For example, as regards the border crossing points, the reminder contains both sides' wishes. The two governments determine concrete elements. For example, the Romanian Government agreed to building a border crossing point at Kiszombor-Cenad [both Hungarian and Romanian name—as published], and the Hungarian Government will probably do the same. The infrastructure is ready on the Hungarian side at Mehekerek-Salonta

(Szalonta) and Battonya-Turnu crossing points, while the Romanian side is just beginning the work. Both border points will hopefully be operating by the end of the year. A nine-lane road has been completed and is in operation on the Romanian side at the Artand-Bors border point. I hope that the Hungarian side will complete its side this year, because this crossing point also has an important European role.

In principle, no differences exist between the two sides on the issue of the consulates, either. We still have to coordinate our interests and views on the concrete facts.

[Rosin] We have received worrying reports to do with the 15 March celebrations of the Hungarians in Romania.

[Donca] As I can see, there is no reason for concern. However, I would like to emphasize that 15 March is a national day in Hungary. In Romania, this date does not have the same significance as in Hungary. The Transylvanian Romanians have sad and painful memories of the events of 1848-49. Therefore, the Romanians have completely different feelings and assessments of these historic events. I trust the Hungarians in Transylvania will take these facts into consideration when planning the 15 March events.

Trade Unions Demand Details of Austerity Package

LD1403110095 Budapest Kossuth Radio Network in Hungarian 0900 GMT 14 Mar 95

[FBIS Translated Text] Trade union leaders take exception to the fact that the government has only publicized a fraction of the planned austerity measures. The employees' coordinated stand taken at the meeting of the Interest Coordination Council [ET] last night says that the government's package is threatening social peace. Therefore the trade unions expect implementation of the announced but not yet introduced measures to be suspended. In addition, the trade unions also want to get to know the government's entire economic package and to receive calculations analyzing the possible effects of the planned measures. It is impossible to hold substantial discussions on the government's economic action plan without knowing these pieces of information, says a statement by the trade unions making up the employee side of the ET. If worst comes to worst the trade unions will resort to every legal means to assert employees' interests, the stand of the confederations says.

Yegor Gaydar: Russia Cannot Veto NATO Growth

LD1303162995 Warsaw PAP in Polish 1530 GMT 13 Mar 95

[FBIS Translated Text] Warsaw, 13 Mar (PAP)—Yegor Gaydar, leader of the Russia's Choice party, positively assesses the development of Polish-Russian economic relations. "Russia has no right of veto against the expansion of NATO. We must talk not about conditions acceptable to Russia with regard to NATO expansion, but about conditions in which such expansion could be used by destructive forces in Russia in order to destabilize the situation," Gaydar told journalists in Warsaw today. He is visiting Poland at the invitation of the Freedom Union.

In a interview for a PAP journalist, Gaydar said that his party will not support Boris Yeltsin if he submits his candidacy for the presidential elections. However, a final decision on this matter will be made by the party congress. "The tragic error Yeltsin made by starting a war in Chechnya prevents us from supporting his candidacy. Yeltsin may continue fulfilling his duties until the elections in 1996. We are against the idea of early elections, and we are ready for dialogue with the president on all possible issues. We support his recent decisions in the economic area," Gaydar added.

Head Adviser on Strategy for Poland Implementation

WS1403121295 Warsaw RZECZPOSPOLITA in Polish 14 Mar 95 p 2

[Article by J.B.L.: "Strategy for Poland in 1995; Still Suspended"]

[FBIS Translated Text] Professor Jerzy Hausner, head of Grzegorz Kolodko's team of advisers, told journalists that after 10 months of the implementation of the "Strategy for Poland" program, it has become clear that the conditions for implementing such a sweeping program are quite limited. According to Prof. Hausner, in 1994 it was only possible to put into effect 40 percent of what was intended to implement within the framework of the "Strategy." In 1995, due to changes in the political scene, nothing has been done as yet. The government must determine by the end of March how exactly it would care to implement the "Strategy."

Prof. Hausner said that right now the task of the advisers is to present both the possibilities and the dilemmas that will have to be faced by any group of people finding themselves in charge of the economy. The dilemmas are as follows:

The need for long-term planning: right now everyone—authorities, companies, and people—must make plans for periods longer than just a few months. Many issues—integration with the EU, for one—require plans encompassing more than a dozen years.

- The mechanism for determining priorities in the budget's expenditures. Right now 40 percent are fixed expenditures.
- The sequence of the implementation of reforms. Right now the sphere of social protection is lagging behind economic reforms, and state-owned companies are behind private firms. It is not possible to reform industry from below, in line with the following sequence: commercialization, reform of the center, reform of the state's economic functions; nor is it possible to reform it from above, starting with the constitutional provision on the role of the state in the economy. Thus, it is necessary to start from the center—with reform of the center.
- How much continuation, how much change. There should be increasingly more continuation and increasingly less change, because a market economy involves not only competition, but also stability of the rules of the game, which cannot be altered according to the results of political games.
- The rate of limiting the public debt. It can be seen that last year's decision to earmark some of the surplus of the budget's revenues for lessening the debt burden of the public sector was wrong, because reforms of the education and health sector are bottomless wells: Their debt right now is just as large as it was before it was reduced.
- The rate of curbing inflation. According to Jerzy Hausner, Grzegorz Kolodko is making a mistake by treating economic indexes like fetishes [fetyszysuje]: This year it would be an enormous success to reduce inflation to even 20 percent. It is erroneous to make such unrealistic forecasts because this undermines the credibility of the planner if the forecasts prove wrong. It is better to plan a slightly longer, but more credible, road to reaching a single-digit level of inflation.
- The concept of fighting unemployment. The centralized program proposed by Leszek Miller has proved inefficient. Miller demanded increasingly more money from the state budget, and that money was then distributed through unemployment offices. These resources should be decentralized. This, however, requires a different administration and stronger territorial self-government. Concepts presented by [former] Minister Michal Strak were an impediment here.
- Adjustment of the economy to EU standards. Most of the people in Poland do not realize what this integration entails and what will happen if it turns out that the economy is not prepared for it. Then we will see the emergence of protectionist trends.
- The model of social partnership. The concept presented by "Solidarity" is erroneous because negotiating everything in the Trilateral Commission leads to the model of a corporate state. The state should be an arbiter, and most disputes should be settled at the level of companies.

The last problem is the range and rate of reforms. Political cycles in Poland are rather short, said Prof.

Hausner. "Many politicians do not think even that far ahead, and their electorate accepts this point of view oriented to the present time."

Asked about next year's taxes, which does not involve thinking very far ahead, Prof. Hausner said that this is not known yet because, according to Deputy Prime Minister Kolodko, this depends on a change in the system of pension valorization. He admitted, however, that this is a primarily political, not substance-related, combination of problems.

Jerzy Hausner said that right now it is possible to speak about implementation of the "Strategy for Poland" and think only a few months ahead, until the presidential elections. During that time it is necessary to do what is possible; there should be no illusions that this will be the entire program.

Prime Minister Outlines Foreign Policy Line

LD1303160895 Warsaw PAP in Polish 1424 GMT 13 Mar 95

[FBIS Translated Text] Warsaw, 13 Mar (PAP)—At a meeting with the diplomatic corps today in the Council of Ministers' office, Prime Minister Jozef Oleksy confirmed the invariability of the Polish foreign policy worked out after 1989.

Oleksy pointed out that it is a policy of "an independent country that intends to become a member of European and Euroatlantic institutions created to strengthen international security and cooperation."

Archbishop Jozef Kowalczyk, the papal nuncio to Poland and dean of the diplomatic corps, assured the prime minister of "an open position and a will for cooperation" by representatives of different states and governments. To mark the approaching prime minister's name-day the archbishop wished for the prime minister that the two values of justice and prudence, connected with his patron saint, Jozef, will be manifest in his actions.

Oleksy said he regards the maintenance of Poland's full sovereignty, achieved after 1989, the protection of its external security, and the creation of the best possible conditions for its internal development as pillars of the foreign policy.

He stressed that as far as the principles of this policy are concerned there are no disputes and controversies in [Polish] society. Understanding of the imperative of the state is not a property of particular parties or coalitions, but an achievement of the country and its society, the prime minister explained.

The transformation of central and east European countries is not just a matter for the area, but is important for Europe as a whole; certain conclusions and reflections ensue for the whole of Europe from these transformations, the prime minister explained.

He stressed that we should understand that in order to be able to make use of the opportunity to function within European economic structures while at the same time coping with the competition, we have to make an effort to adapt to new conditions. He expressed hope that Poland will find understanding and support from its western partners in its efforts to prevent social conflicts ensuing from an uneven spread of the costs of transformation.

Oleksy went on to say in his address at the meeting with diplomats that we are aware of the reservations which our neighbors expressed about our NATO membership, Russia in particular. We treat our joining the alliance as the "transmission of peaceful and democratic values to the part of Europe in which we live," the prime minister said.

He pointed out that Polish foreign policy will not be restricted by Eurocentrism. While striving for integration with the Western structures, we intend to increase our activity in other parts of the world, he added.

At a news conference after the meeting Oleksy said that he is concerned by the "carelessness" of people from some circles who, when they come out in favor of Poland's integration with Western Europe, disregard in their statements the issue of costs linked with it. He stressed that such awareness is lacking equally among intellectuals and some businessmen and the public.

When asked by journalists what position his government will take on the issue of ratification of the Concordat with the Holy See, Oleksy pointed out that the matter is now being dealt with by parliament. He referred to a declaration contained in his statement [delivered in the Sejm on 3 March] where he said that "the government will not stop short of anything which must be done in order to ratify the Concordat." He expressed the opinion that parliamentary procedures "do not have to drag on endlessly."

Meets Foreign Journalists

LD1303195095 Warsaw PAP in Polish 1648 GMT 13 Mar 95

[FBIS Translated Excerpt] Warsaw, 13 Mar—Prime Minister Jozef Oleksy told foreign journalists in Warsaw today that he would like to go to Brussels, the headquarters of NATO and the European Union, for his first foreign trip as prime minister. He announced that in May he was expecting the visit of Chinese Prime Minister Li Peng to Poland.

The prime minister confirmed that Polish foreign policy will not be limited to aspirations toward West European structures. He added that cooperation with Central and East European states was also an important element of this policy. He announced that the Polish Government will be working toward "the widely understood European success."

Asked by a German journalist whether there will be "some Polish gesture" toward Germany connected with "the expulsion of the Germans after the war" to mark the 50th anniversary of the end of the war, Oleksy stressed that he was not against it. "But this is not the time yet for me to speak about it. Gestures, after all, are made unexpectedly," the prime minister said.

Referring to the "excellent and well-received" speech by German President Roman Herzog during the ceremonies marking the 50th anniversary of the Warsaw Uprising, Oleksy said that he thought this gesture by Herzog "did not close the possibility for other gestures from the German side."

Asked by a Chinese journalist about the differences between the Pawlak and Oleksy's governments in their policy toward China, the prime minister said that "nothing has changed here." He added, that in relation to China, the government will be implementing the policy of openness and search for cooperation in the scientific and cultural fields. According to Oleksy, a lot has been done in the past 18 months "to prove that there is a mutual will for successful cooperation." [passage omitted]

Government Press Spokeswoman on Information Policy

LD1203190095 Warsaw Polskie Radio First Program Network in Polish 1800 GMT 12 Mar 95

[FBIS Translated Text] Government Press Spokeswoman Aleksandra Jakubowska has given assurances, in an interview for Polish Radio, that an appropriate information policy will be introduced and that journalists, although facing barriers, will have access to information about the work of the government of Prime Minister Jozef Oleksy.

[Begin Jakubowska recording] I would wish that the hitherto daily practice changes somewhat, that the Government Press Office becomes active when journalists demand some sort of information, or else when it reports on the activity of the prime minister or the Council of Ministers. I wish that a journalist who comes to the Government Press Office receives a full compendium of knowledge. That is, he ought to be treated as in the great press offices, in the White House, in the Chancellor's office, when in practice one receives so much knowledge on each subject that it is altogether impossible to use even a tenth of it.

I plan a meeting in the near future with the press spokesmen of all the ministries, not because I wish to teach and instruct them, for they are in no way dependent upon me, only I wish to specify our principles for cooperation. I would also like to meet with ministers, and also ask them how they see the role of the press spokesmen in their ministries. For in some ministries the press spokesman is altogether superfluous. I would like the press spokesman in a ministry to have the same

position as I have in the government, that is, that I participate in meetings of the Council of Ministers, I participate in the most important meetings of the prime minister, I am informed. Of course, I cannot exploit all of this knowledge, for there are matters about which public opinion may not be informed. These are matters that are state secrets, professional secrets, certain intentions that cannot be revealed too early on. [end recording]

Coalition Problems, Pawlak's Strategy Viewed

WS1303151595 Warsaw GAZETA SWIATECZNA in Polish 11-12 Mar 95 p 3

[Article by Agata Nowakowska and Wojciech Zaluska: "Pawlak Left, Coalition Remained; Our Prime Minister, Your President"]

[FBIS Translated Text] Another political barrier has been overcome. Six years after the downfall of communism, the prime minister is a former secretary of the Polish United Workers' Party in Biala Podlaska. After Pawlak, Oleksy all of a sudden became a "lesser evil."

The Democratic Left Alliance [SLD] is beside itself with joy. Kwasniewski's party is overcoming its political isolation step by step. In addition, SLD's dream has come true: Pawlak has left, the coalition has remained.

SLD's diagnosis is simple. The one to blame for all mistakes is Pawlak and his close aides: Podkanski, Strak, Smietanko. "That government became infamous due to the InterAms affair, accusations leveled at [Main Customs Office Head] Ireneusz Sekula," says an influential SLD politician. "Now we are going to regain the people's confidence; the people will like Oleksy, and [Government Spokesperson] Jakubowska will charm the media."

Oleksy stresses that his government is squeaky clean. Nonetheless, it does include people against whom grave charges were publicly leveled.

A Success Is Needed

SLD is yearning for success. Oleksy has already appointed a new chief of police; he already has a candidate for our ambassador to the Holy See. He has set up an "anti-Mafia team."

SLD politicians argue that this government will be more reform-oriented. However, at heart they sigh and say: "But we are going to have a presidential campaign on our hands soon." This may mean that, for example, reform of social insurance or the health service will have to wait a little longer again, because SLD will not want to risk losing the votes of a large electorate group—senior citizens.

The Oleksy cabinet may also get caught in its own trap. The new coalition accord does not allow PSL to vote against SLD in the parliament, and vice versa. This will make it impossible to make decisions in all those areas where the coalition partners have even only slightly

different views. Besides, the accord encourages a dangerous trade: PSL will give up its opinions on powiats [small administrative units], for instance, in return for abandoning the reform of the peasant insurance system. Or, SLD will, for example, agree to provide additional financing for a PSL-related bank, if PSL endorses a gmina [smallest administrative unit] electoral bill that is favorable to SLD.

A Common Candidate?

The success of this government also depends on the mutual loyalty of the coalition partners.

Prime Minister Oleksy wants to govern until the end of his term. This is what he offers to the peasants—our prime minister, your president. A common candidate for president would consolidate the coalition quite well. Two people come into play—Zych or Pawlak.

Thus, the chairman of the Social Democracy of the Polish Republic would be moved out of the political limelight. It is not certain, however, if the prime minister manages to persuade the party to sacrifice Kwasniewski in return for peacefulness for the government. Nor is it known which option will prevail in PSL.

Pawlak Weaker

The peasants have two policies toward the government. One is being implemented by those who have benefited from the change of government (primarily internal opposition within the party). The other is being implemented by Pawlak.

The former prime minister is frustrated. Now his position can only be weaker in the Sejm and in the coalition. Hence his distance from Oleksy and his suggestion of early elections. A new parliament would mean a new "deck of cards," and a chance to regain the initiative.

His party opponents see this differently. Jagielski became minister, Zych—Sejm speaker: after the change of government, they climbed higher. Finally they can exert influence on the policies of the state and PSL. Party activists stand in line to meet them. The "provinces" also want a coalition with SLD because this guarantees that their influence will be maintained. Maintenance of the coalition is, in turn, guaranteed by Zych and Jagielski, not by Pawlak.

Ugly Face of United Peasant Party [ZSL]

This is dangerous to Pawlak. He may lose control over his own party. This is why his adversaries are not only SLD leaders, who ousted him from the government. These adversaries also include his party colleagues, who are limiting his power.

Pawlak's people are already giving them an "ugly face": "Please note that those who are the most preoccupied in supporting Oleksy are former activists of the ZSL," we are told by one of them. What they want is to advertise the following model: Behind the coalition, led by Oleksy,

are activists whom the communists have turned into their vassals, whereas Pawlak guarantees PSL's independence.

To Make Oleksy Step Down

Pawlak would readily hold early elections, but the apparatus will not allow him to. This is why he has chosen another tactics. He is encouraging distrust toward SLD as well as PSL's supporters of the coalition. By doing so he also wants to attract the peasants to himself. "Let them govern and take over the responsibility now; we will comment on these activities and score points," says one former PSL ministers.

Pawlak's strategy is to benefit from the downfall of the Oleksy cabinet. He is hoping that its ruins will also bury his critics from PSL.

Areas of Possible Conflict in Cabinet Analyzed

WS1303143095 Warsaw RZECZPOSPOLITA in Polish 11-12 Mar 95 pp 1-2

[Article by Jan Bazyl Lipszyc: "Everyone Against Everyone Else; Oleksy's Dilemmas"]

[FBIS Translated Text] The prime minister has decided that the most urgent issue for the new government to deal with is the improvement of public security. This is why the first decision he made was to appoint the chief of police and to set up a special committee for fighting crime. Public security is one of the five priorities in the government's activities listed by Jozef Oleksy. The others are economic growth (and curbing inflation), reform of social policy, decentralization of the state, and integration with Europe.

An attempt to implement most of these priorities may result in serious conflicts within the government or the coalition. Thus, even if we assume that (for the time being, at least) the president will not get in the prime minister's way, nothing seems to indicate that the next few weeks will be easy for the government.

In addition, there are also many urgent issues which, in one way or another, result from these priorities, and these issues must be dealt with by the government at its next few sessions. One of them is, for example, the need to...

Begin Work on Next Year's Budget

It is not feasible to prepare the main 1996 budget projections without providing answers to several questions. One of them concerns taxes. In the accord with the Union of Labor [UP], the coalition committed itself to preparing a different tax scale, which would put a lower tax burden on the poorest segments of society. Before that, Deputy Prime Minister Grzegorz Kolodko had promised lower taxes for everyone.

It does not look as though will be possible to keep both promises at the same time because this would entail a

drop in budget revenues next year. The deputy prime minister cannot afford to once again renege on his promise to return to the old taxation scale. At the same time the coalition cannot violate its accord with UP. This is one of the most urgent dilemmas that needs to be resolved; however, as far as the budget is concerned, this is not the most difficult dilemma.

A change in the system of disability and retirement pension valorization was to come into force at the beginning of 1995. It was blocked by Labor Minister Leszek Miller and this is how Grzegorz Kolodko explained the need to maintain higher personal income taxes. Now he is saying that it is not possible to create a new budget if the issue of pension valorization system remains unresolved. A reform of this system is one of the government's priorities, listed by the prime minister. Nothing seems to indicate that Minister Miller has changed his opinion, and it is worth noting that his position in the government as head of the Sociopolitical Committee will probably be stronger than before. The conflict between Miller and Kolodko over this issue has carried over to the new government and needs to be resolved within the next few weeks; the same goes for the taxation problem.

Decentralization of the state, including...

The Issue of Powiats

...was one of the main program differences between the Democratic Left Alliance [SLD] and the Polish Peasant Party [PSL], apart from privatization. A few months ago, SLD supported the idea of establishing powiats [small administrative units] quite unequivocally; right now both the prime minister and Marek Borowski, the new head of the Office of the Council of Ministers [URM], are speaking about this far more cautiously. Jozef Oleksy, in an interview with POLITYKA, spoke about "different subjects of the territorial self-government," and this is a matter of the future at that. The head of URM, as early as during the interrogatory sessions of the Sejm committee, said equally indirectly that we would look into the matter, but not immediately. Nonetheless, SLD must finally make up its mind whether or not it wants to establish powiats. If it does, it will come into conflict with its coalition partner. In the new version of the coalition accord it was stated that both parties would not vote against each other in parliament. If so, then the idea of establishing powiats will be given up. However, what may happen if the accord is broken?

The same priority encompasses...

Reform of the Economic Center

It appears to be accepted by all the ministers, which means that they agree that some of them will lose their jobs. This is not a problem that must be resolved at once; however, the coalition is to draw up drafts of legal acts reforming the center by the end of April. In addition, it is to implement the reform itself probably by the end of

the year. However, a year ago members of the Pawlak government were saying the same things—by the end of the year, but they were talking about 1994. Thus, the first decision regarding which option of reform should be put into effect must be made within the next few weeks.

Liquidating, or rather, combining several ministries entails a restructuring of the government, which means that the balance in the coalition will be disturbed. This balance was achieved with difficulty, and even the Scientific Research Committee, which had been left alone by the three previous governments, was included in the political game. How should this delicate construction be altered, without causing the entire coalition to collapse? How to establish a new rule of distributing portfolios? The PSL-SLD accord does mention a reform of the center, but it does not say precisely which ministries will be liquidated.

The list of very difficult issues that need to be taken care of might also include privatization, about which the coalition has been quarreling all along; agricultural policy, integration with Europe, being seen differently by different people, etc. Apart from program-related problems, the prime minister must also not forget...

Personnel Issues

It is no secret that it was only after many discussions that PSL finally agreed that Wieslaw Kaczmarek and Marek Borowski be part of the government. The party will not forgive Kaczmarek for his privatization policies, nor will it forgive the other minister for what happened at the beginning of Pawlak's governing and for the conflict over Bank Slaski. It also still complains to the peasants that the prime minister and SLD so easily agreed to the candidacy of Wojciech Okonski. They say the following: We defended ourselves against him for three months, whereas Oleksy surrendered after only three hours.

SLD politicians believe that Waldemar Pawlak delegated to the government either his adversaries (Roman Jagielinski) or second-rate or even third-rate politicians of the party, who do not have any real influence in PSL. This will allow the party to not identify with the government too much, which has been proven by a recent statement by Pawlak regarding SLD: You are going to have troubles.

Apart from animosities between the two parties, there are also other disputes within the government, for example, the dispute between Grzegorz Kolodko and Leszek Miller and, recently, the conflict between Kolodko and [Internal Affairs Minister] Andrzej Milczanowski over funding for the police.

As can be seen, in this government, which was formed with such difficulty, everyone may come into conflict with everyone else—over decentralization, integration, valorization, inflation. Jozef Oleksy concedes that some PSL activists hold SLD responsible for the downfall of the previous government and that special efforts must be

made to not offend the coalition partner. Or this partner might come to the conclusion that this has been the last straw and that it is no use maintaining this configuration.

Commentary Notes Lack of Optimism for Government

WS1403085495 Warsaw ZYCIE WARSZAWY in Polish 12 Mar 95 p 2

[Commentary by Krzysztof A. Kowalczyk: "If Only They Did Not Do Any More Damage"]

[FBIS Translated Text] Let us take a close look and find at least ten differences between the projects of Oleksy's government and the economic policy of the Pawlak cabinet. The former ministers do not have much say, let us thus examine the new ones.

Jacek Buchacz, whose mother party cast him straight from the Health Ministry (where he was "deputy") to the Ministry of Foreign Economic Cooperation, wishes to follow in the footsteps of his predecessor, Leslaw Podkanski. He praises the latter for increasing the volume of Polish exports. Well, economists were thus far more inclined to attribute this to an exceptional economic boom in West Europe.

Buchacz would gladly curb the independence of the National Bank of Poland, which has recently invited the criticism of the exporters' lobby by slowing down the rate of the devaluation of the zloty. As do the majority of his party friends, he wishes to expand exports eastwards. Considering that the major obstacle in the path of exporting our food surplus in that direction is the fact that our partners from the former USSR lack money, we should not be surprised if the minister decides to export goods at the expense of the Polish taxpayer. He will call it, for instance, a system of export crediting.

Roman Jagielinski, the new minister of agriculture and deputy prime minister, may also incur losses on us. It is all very well he supports huge farms which, let us hope, will not have to be funded. What is worse, however, is that he wants to encourage people to establish them by creating a system of subsidizing land purchases. He may cause the costs of establishing a farm to decrease, yet the price of land might soar enough to guarantee that farmers selling small lots of land could establish their own businesses from the money thus obtained and find new sources of income. The new minister promises he will not raise food prices, yet he refuses to back out of compensatory fees.

Minister of Industry Klemens Scierski from the Polish Peasant Party [PSL] is disarmingly frank when he admits he is not knowledgeable about any of the sectors apart from the power industry. He did not expect to be nominated, therefore he does not know what he will do in the ministry. All we can thus do is speculate. It may turn out that he supports subsidizing the industry—he criticized his predecessors for the abatement of coal

subsidies. He might object to the projected lifting of tariff barriers between us and the EU—he has promised refineries, for instance, that he would "do something" if their interests were to be infringed as a result. After all, the same can be said of nearly all the remaining branches of industry.

If the new minister considers himself to be the protector of large-scale industry (and anyone who has thus far viewed global issues in the context of problems faced by one branch is prone to that danger), privatization and wider structural reforms of the economy are at risk.

To everyone's surprise, Scierski declares himself to be an adversary of the concept of the so-called economic center, which bodes ill for the plans of Deputy Prime Minister Kolodko. Those plans provide for the dissolution of the Ministry of Industry, and it is not customary for PSL to give away its spoils.

The dateline for launching the center, set for 1 January of next year, may thus not be kept. Grzegorz Kolodko may have a very difficult task—developing a uniform economic policy if one does not have any influence on some of the key ministries is impossible. Kolodko's situation is now much different than it was in Pawlak's cabinet. He will be supported by Prime Minister Oleksy and head of the Office of the Council of Ministers Marek Borowski, who is considered to be quite a good economist.

Will he, however, have enough strength to carry out other reforms, for example pushing the old age pension reform bill through the Sejm, which would be a mere beginning of social welfare reform? Kolodko declares he is a man of the left and he does not have the determination to lift the burden of expenses off the government's shoulders. He is ready to make compromises for political reasons. He recently paid the debts of the education and health care systems without even attempting their reform. In effect, schools and hospitals have begun taking out new loans.

The presidential elections are approaching, the parliamentary ones will soon follow. Neither PSL nor the Democratic Left Alliance will risk carrying out necessary but unpopular reforms (such as reducing the workforce in the public sector). Therefore, being incapable of cutting spending from the state budget, Kolodko will try to maximize its revenues.

The tax collector, however, is not the "father" of the whole economy that the deputy prime minister wishes to be. He is not particularly good in his role as the latter. Although economic activity is quite good, inflation is higher than it was one year ago. Kolodko himself admitted to REUTERS that bringing it down from the current 33 percent to the 17 percent he projected is barely plausible. At best, he might be able to lower it to 18-19 percent. That does not sound too optimistic.

Neither do the prime minister's declarations that his government will be a continuation rather than a breakthrough, as compared with Pawlak's cabinet, give reasons for optimism. Let us thus not expect a revolution in

the economy. We should rather have hope that the coalition will not do any more damage.

Oleksy Wants To Keep Inflation at 20 Percent

LD1303191395 Warsaw PAP in Polish 1635 GMT 13 Mar 95

[FBIS Translated Text] Warsaw, 13 Mar—At a meeting with foreign journalists accredited to Poland today, Prime Minister Jozef Oleksy said that "it will be a great success to maintain inflation at the 20-21 percent level in 1995."

Oleksy stressed that this was not a forecast but that he wanted very much to achieve this indicator. At the same time, he confirmed that it was still possible for the inflation level to remain at 17 percent in 1995, although a great effort will be needed to maintain this level.

The prime minister emphasized that he will strive to achieve the stabilization of the taxation system in the country. "My thoughts are going in the direction of reducing taxes in order to encourage investment," Oleksy said. He pointed out that, as far as the taxation rates were concerned, "from year to year the thinking is increasingly directed toward their reduction."

He announced that the Polish Government will give potential foreign investors clear signals about their economic policy, which is aimed at fulfilling the agreements with regard to the repayment of debts owed to the West, at stabilizing the financial and taxation systems, and at "dynamized privatization." Oleksy said he was in favor of reprivatization and of returning the property confiscated illegally.

At the same time, the prime minister emphasized that "the other side also had something to do" and specified that he meant the matter of Poland's inclusion among the group of nations of smaller investment risk.

Freedom Union Debates Program, Leadership Issues

WS1303150495 Warsaw RZECZPOSPOLITA in Polish 13 Mar 95 pp 1-2

[Article by Malgorzata Subotic: "Freedom Union's Program Conference: A Suggestion for the Second Step of Reforms"]

[FBIS Translated Text] *Tadeusz Mazowiecki supports the candidacy of Hanna Suchocka for president, while Bronislaw Geremek supports Jacek Kuron. If Suchocka maintains her strong position in the Freedom Union's [UW] presidential ranking, Donald Tusk will also support her candidacy. The leaders of UW shared their opinions with journalists after a party program conference held in Sopot last weekend.*

Leszek Balcerowicz, a "freshly baked" member of UW, stressed that even the best of programs need not necessarily guarantee the party with success in the elections. UW, as he said, should become a more effective party.

Janusz Lewandowski, who chaired the two-day program debate, concluded the session with a statement that the dire need for a program debate within UW was at least partially satisfied. UW supports a second step in Polish reforms. Changes carried out in the years 1989-93 completely overlooked the public sector. There is currently an urgent need to reform it. Suggestions of, for instance, new types of security for old age pensioners, health care reform, or self-government reform developed by the UW secretariats (ministries within the shadow cabinet) are definitive offers.

A charter of economic freedoms was adopted—a catalogue of principles which should be mandatory in the Polish economy. Participants in the conference voted for: respecting economic freedoms allowed by law, more strict protection of private property and passing the restitution law, honest competition combined with breaking monopolies, and low but efficiently collected taxes.

No agreement was reached as to adopting a second document: the charter of system reforms. The suggestion of introducing 12 self-governing voivodships, a concept from which all other reforms would stem, was not approved. Its strong supporters included Zyta Gilowska (national secretary for self-government) and Jan Maria Rokita. Opponents, who claimed "why should we tie our own hands" were, among others, Bronislaw Geremek (head of the parliamentary club) and Deputy Grazyna Staniszevska.

Leszek Balcerowicz, who clearly praised the UW program, appealed to the party to be more effective.

"A party where emotions and lack of rationalism dominate cannot be politically effective. It faces the threat of focusing on only internal debates: with whom, against whom, in what configurations, in what coalitions," said Balcerowicz, describing such activities as wasting energy. "I deeply believe that UW is made up of great rationalists, with that conviction I joined it," he concluded. In the wings, his speech was interpreted as a confirmation of his intentions to run for the leadership of the party.

Meanwhile, Tadeusz Mazowiecki has said once again he does not intend to step down as leader of the party, and that the issue would be settled in a vote held during the party congress scheduled for April. He assessed his chances as "not too bad." Asked about his opinion on a letter Kuron wrote to the Union of Labor [UP] asking for that party's support in the presidential elections, Mazowiecki said he thought it was normal. "I think the fact that someone appeals for the support of another party is natural."

Deputy head of UW Donald Tusk refused to comment on the letter Kuron wrote to Ryszard Bugaj's UP. Donald Tusk confirmed he tried one more time to convince Leszek Balcerowicz to run in the presidential elections, but the former deputy prime minister did not change his negative opinion.

"UW can become more effective only if both Leszek Balcerowicz and Tadeusz Mazowiecki lend it their authority," Tusk told RZECZPOSPOLITA. He explained they should cooperate, not compete.

According to Tusk, UW is "a huge party within which a lot can be accomplished, and all of Balcerowicz's advantages could be put to good use without rejecting the leading role Mazowiecki can play."

Leszek Balcerowicz could become UW's natural candidate for prime minister and head the operations of the secretariat (the shadow cabinet). Deputy head of

UW Donald Tusk announced that he will not stay for another term in office if Leszek Balcerowicz decides to run for it, providing this would facilitate harmonious cooperation between two of the party's most eminent representatives.

According to Tusk, "This would require most of all the goodwill of all party leaders contending for leadership, as UW cannot afford to lose either of the politicians." Tusk has already suggested to both men that Leszek Balcerowicz get involved in activities for UW while Mazowiecki remain the leader.

Police Deployed for Hungarian 15 March Holiday

LD1403133595 Budapest Kossuth Radio Network in Hungarian 1100 GMT 14 Mar 95

[FBIS Translated Text] The Transylvanian [erdelyi] political landscape on the eve of the 15 March holiday: Tibor Bogdan reports:

[Bogdan] This year, preparations for the 15 March celebrations are being made in Transylvania amid more tension than in previous years. In Cluj-Napoca [Kolozsvar], Mayor Gheorghe Funar continues to threaten to ban the celebrations, although Prefect Grigore Zanc assured the Hungarian Democratic Union of Romania that the commemorations will not be disturbed.

The prefect of Mures [Maros] County gave similar assurances. The police chief of Tirgu Mures [Maros-vasarhely] has ordered the deployment of a large police force to maintain order. The measure was necessary because extremist Romanian groups are organizing an 8,000-person-strong counterdemonstration for that day.

In Covasna county, the leaders of the Funar-led National Unity Party of Romania proclaimed the celebration of 15 March unlawful. They said that the Hungarians have more weapons than does the [Romanian] Army.

The Bucharest daily ZIUA writes today that parachutist units were detached to Transylvanian localities from a military base in the south, in (?Boteni). EVENIMENTUL ZILEI cites reliable sources at the Romanian intelligence service as saying that the service's units have been put on alert in Cluj-Napoca.

Funar Bans Celebration

LD1303152695 Budapest Kossuth Radio Network in Hungarian 1400 GMT 13 Mar 95

[FBIS Translated Text] [Gheorghe Funar,] The mayor of Kolozsvar [Cluj-Napoca] has banned the wreath-laying ceremonies that the HDUR [Hungarian Democratic Union of Romania; in Romanian, UDMR] planned for 15 March. Funar justified the decision by saying that the Vatra Romaneasca and other organizations requested permission for public meetings on that day. It is known that it was precisely the mayor of Kolozsvar who recently proposed that Romanian groupings should announce events to coincide with the anniversary in order to hinder the Hungarian commemorations because, according to the regulations, only one such event can be held at the same place at any one time.

The Hungarian prefect promised the HDUR at that time that nothing would prevent them from marking the anniversary of the [1848-49] freedom struggle.

Funar Overruled

LD1303221195 Budapest Kossuth Radio Network in Hungarian 2100 GMT 13 Mar 95

[FBIS Translated Text] The 15 March celebrations will be permitted in Cluj-Napoca after all. Tibor Bogdan reports.

[Bogdan] This afternoon Grigoriy Zanc, the prefect of Cluj county, overruled Mayor Gheorghe Funar's decree in which the nationalist mayor banned the 15 March celebrations claiming that other organizations were preparing for street demonstrations on the same day and, according to the law, only one such event can be held at the same place at any given time.

Now the regional representative of the government has clarified in a communique that no mass demonstration will precede the wreath-laying planned by the Hungarian Democratic Union of Romania; therefore, it cannot be regarded as a demonstration or rally.

The ecumenical church service planned for 15 March is not illegal either, nor is the festive program to take place in the ethnic Hungarian theater.

What is more, Funar gives the wrong date regarding certain so-called parallel programs, for several of them will be held on 16 March.

Funar Calls Hungarian Draft Treaty 'Betrayal'

AU1303162695 Bucharest CURIERUL NATIONAL in Romanian 10 Mar 95 p 3

[Unattributed article: "Gheorghe Funar Accuses the Government of Betrayal!"]

[FBIS Translated Text] Gheorghe Funar, President of the PUNR [Romanian National Unity Party] has stated in Cluj that "in its current form, the draft treaty with Hungary represents an act of national betrayal and the PUNR will not be part of a government that signs such a treaty." He said the draft is "dangerous for the country." "Through certain provisions that it includes, the conditions are created for Transylvania to be integrated into Hungary in a very short time. The provisions stipulate the establishment of autonomous Hungarian regions on Romania's territory," said the PUNR president. Nevertheless, Funar wished to point out that his party "speaks out for the continuation of negotiations and the signing of the treaty, but not in its current form."

Pushes for Conflict

AU1303151295 Bucharest ROMANIA LIBERA in Romanian 8 Mar 95 p 3

[Unattributed article: "The Instigator"]

[FBIS Translated Text] Gheorghe Funar [president of the Romanian National Unity Party, PUNR], the spearhead of the extremists, will be left without a "meaning of work" should the Romanian-Hungarian bilateral treaty be signed.

Since he is afraid of political unemployment, the PUNR president has asked his supporters in Transylvania to go out onto the streets on 15 March [Hungarian National Day], and maybe an interethnic conflict will somehow emerge. Although the Transylvanians have more sense than the Cluj agitator (because it is impossible to have

less), the irresponsibility exhibited by him is still called instigation to disorder and violence, as stipulated in the Penal Code.

Minister Says Bomb Threats 'False Alarms'

AU1303162895 Bucharest Radio Romania Network in Romanian 1400 GMT 13 Mar 95

[FBIS Translated Excerpt] During his press conference today, Government Spokesman Ioan Rosca announced that at the opening of today's cabinet session Interior Minister Ioan Doru Taracila had briefed the executive

about the situation at Otopeni International Airport and the Iasi County Court, where there had been reports of bombs being planted—but these turned out to be false alarms.

Despite this, the interior minister drew the attention of the executive to the fact that the bomb-disposal experts do not have the proper equipment.

Prime Minister Nicolae Vacaroiu requested the ministries of Interior and Justice to frame a draft bill requiring the careful examination of all those in possession of weapons and ammunition. [passage omitted]

Akashi Returns From Pale Without Results

AU1403114695 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1100 GMT 14 Mar 95

[Report By Jasenko Kresic]

[FBIS Translated Text] On his return from Pale, Yasushi Akashi held talks with the top state and army officials in the presidency building. Jasenko Kresic has the details:

[Kresic] Yasushi Akashi, special envoy of the UN secretary general for the former Yugoslavia, returned to Sarajevo from Pale without achieving any results. He himself admitted that nothing has been achieved. He avoided awkward questions by saying that he would say something at the scheduled Sarajevo Airport news conference.

Hasan Muratovic, minister for relations with the United Nations in the Government of the Republic and Federation of Bosnia-Herzegovina, has stated that Akashi did not come out of Pale with anything new and that this UN official probably realizes now why no one goes to Pale anymore. Muratovic said that world politicians have realized that they cannot achieve anything there, and that the B-H side expects UN representatives to reduce their number of visits to Karadzic until the Serbian side changes its negotiating methods.

At the end of his talks with journalists, Minister Muratovic said that it was clear that the Serbs currently involved in negotiations do not want any progress and that progress can be achieved only when the Serbian negotiators are changed.

This is yet another visit by the Japanese Akashi that yielded no results. The terror against the capital city continues.

Kordic Warns Izetbegovic About Missing General

LD1303211095 Belgrade TANJUG Domestic Service in Serbo-Croatian 1857 GMT 13 Mar 95

[FBIS Translated Text] Belgrade, 13 Mar (TANJUG)—Dario Kordic, the president of the Croat Democratic Community of former Bosnia-Herzegovina, tonight warned Alija Izetbegovic, chairman of the Party of Democratic Action, that if the circumstances regarding the disappearance of General Vlada Santic were not clarified, the relations within the Muslim-Croatian Federation could deteriorate further, Croatian Radio Herceg-Bosna reported this evening.

Kordic asked the international community to help protect the Croatian people in the Bihac area, who were very upset and worried about their fate following the arrest of a Croatian Defense Council commander five days ago by the Muslim military police.

Ivan Bender, the president of the House of Representatives of the republic of Herceg-Bosna, this evening threatened in a protest letter—carried by Croatian Radio

Herceg-Bosna—that Herceg-Bosna will end all cooperation with all bodies and organs in the Muslim-Croat Federation if the Muslim military and civilian authorities did not give an urgent reply on the fate of missing General Santic.

Muslims Have Evidence of Infighting Among Serbs

LD1403115595 Zagreb Radio Croatia Network in Serbo-Croatian 1100 GMT 14 Mar 95

[FBIS Translated Text] Bosnian Serbs continue to attack Gradacac and (?Visnica). Bosnia-Herzegovina Army command said that it has obtained reliable evidence of the clashes among Bosnian Serbs in the political sphere being transferred onto the military field as well. Following the replacement of Radoslav Brdjanin, Radovan Karadzic's former close aide, there are increasing signs in the field of armed clashes among the Serbs. Most of these are among smugglers but they also reflect growing dissatisfaction among soldiers who are being sent to the Bihac front amid pressures, threats, and blackmail.

Granic Views Current Croatian Role in Bosnia

AU1303105295 Ljubljana OSLOBODJENJE (Europe Edition) in Serbo-Croatian 2-9 Mar 95 p 5

[Interview with Croatian Foreign Minister Mate Granic by Josip Vricko and Darjan Zdravec; place and date not given: "Belgrade Makes the Decision in Knin"]

[FBIS Translated Text] We had many reasons for asking Croatian Foreign Minister Mate Granic for an interview: From the future of UNPROFOR [UN Protection Forces] on Croatian territory to the plan on the Tudjman-Milosevic-Izetbegovic meeting. We started the interview with the UNPROFOR question and the future of the occupied areas.

[Vricko and Zdravec] The Knin secessionists have predicated negotiations with Croatia on political issues, that is, the so-called Z-4 plan, on UNPROFOR staying. You and President Tudjman have stressed many times that the decision to cancel the UNPROFOR mandate was categorical. Is it at all possible to discuss the peaceful reintegration of the occupied parts of Croatia?

[Granic] It is still possible to discuss peaceful reintegration, because this issue is not only up to the Serbs from the occupied territories. Belgrade certainly has a decisive influence over Knin. They rejected political negotiations as well as any further negotiations on economic cooperation in order to increase pressure on the Republic of Croatia to change its decision. However, it should be pointed out that this confirms our belief that we have made the right decision at the right time. Our decision to cancel the UNPROFOR mandate was made primarily because the present mandate freezes the present situation, a situation wherein ethnic cleansing has been implemented almost completely, in which no refugees have returned to their homes, in which about 12,000

people were expelled from their homes during the UNPROFOR mandate, and over 600 Croats and other non-Serbs killed, and there is no control of Croatian borders. We therefore do not want this situation to continue; rather, we want the process of peaceful reintegration and negotiations to be speeded up. We believe that our decision will speed up the international community's involvement, the aim of which should be to find a peaceful solution.

Farewell to UNPROFOR—Final

[Vricko and Zdravec] However, the international community is exerting strong pressure on Croatia to change its decision. Does Croatia have another variant according to which it might agree to the extension of the UNPROFOR mandate—and as a consequence, a significant change in the purview of the “blue helmets”?

[Granic] Our decision to cancel the UNPROFOR mandate is final, and as far as international control is concerned, it is possible if the international community proposes an acceptable plan for peaceful reintegration, but UNPROFOR is out of the question.

[Vricko and Zdravec] As “FRY” [Federal Republic of Yugoslavia] Foreign Minister Jovanovic announced, the FRY demands that Croatia first recognize the so-called FRY as the successor to the former SFRY [Socialist Federal Republic of Yugoslavia]. What is your comment to that statement, and will you go to Belgrade despite that statement; that is, what are your expectations of the visit?

[Granic] As far as recognizing the continuity of the “FRY” is concerned, Croatia is not prepared to recognize it, as the Badinter committee made decisions on that earlier and these decisions are clear. Croatia accepted these decisions, as did the entire international community, and all the other countries that emerged with the disintegration of the former SFRY have the same opinion. We consider the mutual recognition, the search for the missing persons, and other humanitarian issues to be priorities, and all of these are, I hope, issues in both our interests. However, it is very important to point out that there has been no agreement between presidents Tudjman and Milosevic, nor have there been any concessions or agreements concerning Bosnia-Herzegovina.

[Vricko and Zdravec] According to the press, Croatia is planning to open an embassy in Kneza Milosa Street in Belgrade. Is that true?

[Granic] If mutual recognition takes place, then an embassy will be open in Belgrade.

Washington—the Greatest Step Toward Peace

[Vricko and Zdravec] The future of Bosnia-Herzegovina is in Croatia's strategic interest. Are the recent meeting in Munich and the agreement on introducing international arbitration guarantee enough that

earlier misunderstandings on the establishment of the Bosnia-Herzegovina Federation will dissolve?

[Granic] I would say that it should all be viewed as part of a dynamic. The signing of the Washington Agreements was certainly the greatest step of the entire crisis and the war on the territory of the former Yugoslavia, the greatest step toward peace. These agreements have made it possible for conflicts between Croats and Muslims in Bosnia-Herzegovina to cease, for many humanitarian issues to be resolved, and for prisoners to be released, that is, for a new negotiating atmosphere to be created, for an atmosphere conducive to establishing a federation that is to be the basis of future peace in the area. We are not satisfied with the dynamics, and the Munich Agreement is a great step forward because both sides agreed, and Croatia firmly supported, the position that international arbitration should be established for both political and military issues—and that both sides accept the opinion of the arbitration. There were no dilemmas on any of the three sides concerning this, including the Republic of Croatia as a political confederate partner. It is expected that the arbitration team will be proposed soon, and that both sides will present their positions on this issue. At any rate, I would like to point out again that this is an important step forward.

[Vricko and Zdravec] International arbitration of a kind does exist in Mostar, but the problems are becoming more acute nevertheless. What is the problem there, and how would you account for the fact that the world holds Croatia most responsible?

[Granic] This is a complex question. Mostar is a separate issue that, certainly, greatly depends on developments in the general situation in Bosnia-Herzegovina, that is, the establishment of the Bosnia-Herzegovina Federation and the implementation of the Washington Agreements on the whole. In that, you cannot compare the European administration, that is, the administration headed by Mr. Koschnick, and international arbitration. In the international arbitration issues the two sides declare where they agree and where they disagree, and declare that they will accept the opinion of the arbitration team in the latter case. Koschnick is head of the European administration, that is, the administration of the European Union; and so he is working for the establishment of peace on its behalf. The Mostar issue is a complex one because you have to take into account the fact that it is in central Bosnia and Mostar that the most casualties on both sides occurred—both the Muslim and Croat sides—as well as the fact that the Serbs were the ones wreaking most of the destruction in Mostar. However, it should also be pointed out here that there was a significant amount of mistrust on both sides. In the process of becoming closer, of establishing trust, the most important thing on the one hand is certainly the help of the Republic of Croatia, and, on the other hand, the help of President Izetbegovic, but also the help of the international community. However, relations in Mostar depend

significantly on relations in the Republic of Bosnia-Herzegovina, especially on the process of establishing the Bosnia-Herzegovina Federation.

As you know, a Croatian Government delegation (Prime Minister Valentic, Deputy Prime Minister Skegro, Defense Minister Susak, and myself), recently visited Mostar, in order to encourage Koschnick but also the Croat side, to work toward normalizing the situation and establishing trust in Mostar, as well as removing the obstacles in building the Bosnia-Herzegovina Federation. After that, Kresimir Zubak and Ejup Ganic, president and deputy president of the Bosnia-Herzegovina Federation, also had a long meeting in which they resolved many things. I would like to point out that you should take no notice of people who are having a hard time accepting the implementation of the Washington Agreements, as opposed to the majority of the people who support them. Naturally, there are some key issues to be resolved there, which is where international arbitration comes in, such as the organization of the army and the police, customs and local self-government issues, the relations between and authority of state institutions, and so on. If these important issues are resolved, I believe the problem of Mostar will also be quickly resolved.

Croatia Has Been Helping Bihac

[Vricko and Zadravec] A statement was recently published in Croatia saying that Bihac was "the shield of Croatia". What is your assessment of the military situation there, and do you think that this is the time for the Croatia-Bosnia-Herzegovina military alliance to really start functioning?

[Granic] I think that Croatia has done the most to ease the situation, as opposed to others who have done very little! Both UNPROFOR and NATO have turned out to be completely unprepared and practically incapable in this regard. All the aid that arrived in the area came from the territory of Croatia. On the other hand, Croatia coordinated its activities with Bosnia-Herzegovina as much as possible—through diplomacy, and through the UN and OSCE—and it did its utmost to make the Bihac problem a topical issue. Therefore, Croatia did as much as it could given its current capabilities. It is clear that one of the reasons for Croatia's decision to cancel the UNPROFOR mandate was the violation of the borders of the Republic of Croatia, considering the fact that, regardless of the presence of UNPROFOR, the army from the UNPA [UN Protected Areas] in Croatia was engaged in the fighting in Bihac. The Croat Defense Council activities regarding Livanjsko Polje have made Bihac's position much easier.

[Vricko and Zadravec] Do you think that if the war escalates and Bosnian Serbs connect with Knin Serbs, they might achieve significant military success?

[Granic] I do not think so, and I also think that this is another case of an error in judgment concerning the

possible consequences of UNPROFOR leaving Croatia—that the war will automatically escalate. If the Bosnian Serbs were to become involved in the war in Croatia, they would in fact diminish their power in Bosnia-Herzegovina. They do not have enough forces for that.

Always in Favor of Negotiations

[Vricko and Zadravec] What is your comment to the latest European initiative on the new international conference on the former Yugoslavia, which has been accepted worldwide?

[Granic] Croatia said earlier that it would accept negotiations with the local Serbs and Belgrade, and it also stated the conditions for such negotiations. It also accepts all international initiatives that could lead to a peaceful resolution to the crisis. We have therefore welcomed the latest initiative, but we said that certain preparations and the opinions of all the sides were necessary. We know that Karadzic has given his unambiguous 'no'—not that he has been invited to the conference—while Belgrade diplomatic circles stated some very important preconditions. We therefore expect significant international

UN: Sarajevo Airlift Suspended Until 16 March

AU1303193995 Paris AFP in English 1852 GMT 13 Mar 95

[FBIS Transcribed Text] Geneva, March 13 (AFP)—The Sarajevo airlift will remain out of action until at least Thursday following a spate of attacks on planes, the United Nations said Monday [13 March].

The humanitarian air link was closed down Sunday after shots were fired at a International Committee of the Red Cross plane and at another one in which UN special envoy Yakushi Akashi had just landed. On Monday the link was restored for a plane bringing in Indonesian President Suharto, then suspended again after shots were fired at a plane coming in to take the president out of Sarajevo following a short visit.

The United Nations has blamed Bosnian Serbs for the shootings, but they have denied responsibility. "The UNHCR Sarajevo airlift will remain down through Wednesday," UN High Commissioner for Refugees spokesman Ron Redmond told AFP. He said "the participating nations are worried about the high-calibre weapons being used recently against planes." He added UN officials would reassess the situation later.

Redmond said food reserves in Sarajevo were fairly good but noted the city had received no food convoys for the past week. The ICRC slammed the attacks on planes flying in aid consignments. In a statement, the organization said that the ICRC, although it was not fully aware of who had targeted the aircraft, wished to remind the Bosnian Government and the Serbs of their obligation to

"respect and guarantee" the security of aid personnel, as well as installations and vehicles bearing Red Cross insignia.

Karadzic Will Not Accept Another Truce

95BA0171A Belgrade BORBA in Serbo-Croatian 15 Feb 95 p 2

[Article by M. Maric: "Dr. Radovan Karadzic in Banja Luka: 'Last Truce'"]

[FBIS Translated Text] Banja Luka—This is the last truce that we will accept before a definitive victory unless the international community resolves, before 1 May, the question of the former Bosnia-Herzegovina in a way that is equally acceptable for all three warring sides, Dr. Radovan Karadzic, president of the republic of Srpska (RS), said yesterday in a meeting with representatives of the ruling SDS [Serbian Democratic Party] in Banja Luka. According to Karadzic, a partition of the territory of the former Bosnia-Herzegovina according to the "half-and-half" principle is acceptable. But if the Muslims launch a new offensive, the Serbs—Karadzic stressed—will respond with a definitive counteroffensive at all the sore spots and points of the Muslim territory. "We will not stop until a definitive, guaranteed solution backed by the international community and the great powers is offered."

Karadzic explained why the Serb side did not accept the Contact Group plan in the latest negotiations, saying that it is a "starting point" that represents a linguistic trap. Specifically, the plan states that "negotiations can

begin on the basis of acceptance of the Contact Group plan, while we are in favor of the plan simply being a starting basis for negotiations."

Croats, Muslims Engage in Ethnic Cleansing

95BA0172C Belgrade BORBA in Serbo-Croatian 16 Feb 95 p 2

[Unattributed article: "The Agreement Is Disastrous for the Croats"]

[FBIS Translated Text] Belgrade—Dario Kordic, president of the Croatian Democratic Community in the former Bosnia-Herzegovina, has stated the latest information that since the signing of the Washington agreement, about 40,000 Croats have been forced to leave their age-old homes under pressure from the Muslim authorities, Croatian Radio of Herceg-Bosna reported yesterday.

The same source claims that last year, most of the refugee and exiled Croats from the territory of the Muslim-Croatian federation were registered from the area of Soli, as the Croats now call the former Tuzla district.

According to the information announced by Croatia Radio of Herceg-Bosna, since the beginning of the war a total of about 192,000 Croats have fled from the territory controlled by the Muslim army, while at the same time, the Muslim Radio Sarajevo claims that about 55,000 Muslims have been expelled from the territory of the Croatian republic of Herceg-Bosna.

Martić: UNPROFOR Reduction Not a Problem

LD1303203895 Belgrade TANJUG Domestic Service in Serbo-Croatian 2027 GMT 13 Mar 95

[FBIS Translated Text] Knin, 13 Mar (TANJUG)—Milan Martić, president of the republic of Serbian Krajina [RSK], told Knin radio today that the RSK was in favor of UNPROFOR [UN Protection Force] remaining in Croatia with an unchanged mandate, while the reduction in its number will not be a problem as far as Krajina is concerned.

"We have not yet received any official reports on how things should look, what the composition of the international forces will be like, under whose command they are going to be, or anything else in connection with its mandate," Martić said, adding that the RSK expected to receive a report.

Martić stressed that Krajina has in principle agreed to UNPROFOR remaining in Croatia, but it would voice its final stance only after it has thoroughly examined what new is being offered after 31 March. He added that the RSK was unlikely to accept the possible new deployment of Blue Berets.

The RSK president said he sent a letter to Yasushi Akashi, the UN secretary general's special envoy for former Yugoslavia, demanding that he reply to these questions. The RSK demands that official documents of the UN Security Council should contain more than only Croatia's unilateral demands from now on.

Commenting on Croatian President Franjo Tudjman's latest decision, Martić said that Tudjman, regardless of pressure from opposition parties, acted reasonably when he agreed to let UNPROFOR remain; Tudjman did this because, at least declaratively, he is not in favor of war, regardless of whether this is genuine.

Babić on UN Mandate

LD1303205995 Belgrade SRNA in Serbo-Croatian 1926 GMT 13 Mar 95

[FBIS Translated Text] Knin, 13 Mar (SRNA)—The entire peace-loving world has received with relief the news that agreement has been reached for UN peacekeeping forces to remain in the area of the republic of Serbian Krajina [RSK] and along the lines of separation between Serb Krajina and Croatia, RSK Foreign Minister Milan Babić told RSK Radio-TV today.

According to Babić, the people of Serb Krajina now expect positive results from the United Nations, which have so far been achieved by the UN peacekeeping forces and which will not be cancelled by any possible different definition of their mandate.

"The insistence of Croatian President Franjo Tudjman on the deployment of the Blue Helmets exclusively along the border of the former Bosnia-Herzegovina and the Federal Republic of Yugoslavia is giving rise in the RSK to an increased sense of concern," Babić stressed and

added that "over the next few days the RSK expects the United Nations and international mediators to provide an appropriate explanation in connection with these initiatives."

Babić assessed that "the one-sided blocking of the RSK's border with the Bosnian Serb Republic and the FRY will not meet with understanding in the RSK," and that any possible new mandate of the UN peacekeeping forces, if it is acceptable to the RSK, will be able to come into force "only as the continuation of the mandate hitherto, and not in any other form."

Tudjman's Tactical 'Game' With UN Viewed

LD1403114295 Belgrade TANJUG in English 1045 GMT 14 Mar 95

[“Pool” item; By Stevan Cordas]

[FBIS Transcribed Text] Belgrade, March 14 (TANJUG)—Croatian President Franjo Tudjman's decision not to eject the U.N. Protection Force (UNPROFOR) after its current six-month mandate expires on March 31 was received in Belgrade diplomatic and political circles calmly and without any excitement.

The impression is that such an outcome of this political plot had been expected because practically no other outcome was possible. In Belgrade it is said that Tudjman's game both with UNPROFOR and with the entire international community was essentially a tactical move made according to a well-known scenario and basically aimed at forcing concessions for his own interests.

This political game, conducted in close cooperation with Bonn, but also with the aid of Washington, enabled Tudjman to get what he wanted, at least on a short-term basis. At home he won important points, which was his major goal. All this could result in some kind of concrete support, in dollars of course.

In Belgrade it is believed that the effects of this political game are much more serious and dangerous than some of Tudjman's political sponsors expected. At the moment when it seemed that the peace process would be revived, Tudjman's political farce slowed down its pace. His threats to eject UNPROFOR led to the dangerous arming of all warring sides in the territory of the former Yugoslavia.

Diplomats in Belgrade believe that at this moment of the utmost importance is the fact that UNPROFOR remains and will be able to retain its basic role in securing the conditions for the continuation of the direct talks between Zagreb and Knin and the realization of the Vance plan. The Vance Plan, signed in early 1992 by the then Socialist Federal Republic of Yugoslavia (SFRY), Croatia and the republic of Serb Krajina, declared Serb Krajina a U.N. Protected Area (UNPA) where UNPROFOR would remain until Zagreb and Knin reached a negotiated political solution.

Serbs in Croatia set up their own state, the republic of Serb Krajina, in 1991, after Croatia launched a war of secession from the former Yugoslavia and removed Serb national rights from the Croatian Constitution. About 15,000 U.N. peacekeepers have been deployed there mainly along the lines of separation between the warring sides. Diplomats in Belgrade said solutions or changes in the mandate and size of UNPROFOR should not threaten its basic peacekeeping role.

The next move lies with the U.N. Security Council. In Belgrade it is believed that the Security Council will not submit to pressure or interests of any side when it decides about UNPROFOR's destiny. It is hard to believe that the Security Council could make any decision which could support Zagreb's threats of a new war.

Suharto Moots 'New Mechanism' To Settle Crisis

BK1403111695 Jakarta ANTARA in Indonesian 0728 GMT 14 Mar 95

[FBIS Translated Text] Zagreb, 14 Mar (ANTARA)—President Suharto has proposed a new mechanism for the settlement of the crisis in Bosnia-Herzegovina and the entire former Yugoslav territory, including the possible convening of an international conference.

"I would once again like to call for the establishment of a new mechanism for talks between the warring parties," the president said during a dinner banquet hosted by Croatian President Franjo Tudjman in Zagreb on Monday evening [13 March]. The head of state said the structure of the international conference should be suited to the need for a just and comprehensive peace and based on full respect for the sovereignty of Bosnia-Herzegovina.

"Indonesia hopes that the disaster befalling the people of Bosnia-Herzegovina will be settled immediately in a fair and comprehensive manner through negotiations in which the sovereignty and territorial integrity of countries in the region are fully respected," the president said.

While visiting Bosnia-Herzegovina, the president said the step was being taken in response to Prime Minister Nikica Valentic's request during his visit to Indonesia some time ago that Indonesia play a more active role in the settlement of the conflict. "I am honored and duty-bound to fulfill that hope. I am visiting the region partly to fulfill that hope," the president said. He reiterated that a permanent settlement of the conflict could only be achieved through negotiations based on justice and mutual tolerance to enable the people in the region to live in peace and free from external interference," the president said.

Touching on bilateral relations, the head of state said the two countries could exchange experiences in various fields. He gave an example: Indonesia can study Bosnia's experience in industrial development and the mastery of technology and can in return use Bosnian ports [as received] as a gateway to enter Central European markets. President and Mrs. Suharto bade farewell to President Tudjman on Tuesday afternoon before leaving for home.

The presidential delegation is scheduled to arrive at Halim Perdanakusuma Airport on Wednesday morning at about 0815 West Indonesian Standard Time [0115 GMT].

Valentic: EU Must Encourage Serbian Recognition

LD1303154095 Berlin DDP/ADN in German 1444 GMT 13 Mar 95

[FBIS Translated Text] Munich (DDP/ADN)—Croatian Prime Minister Nikica Valentic called on the Europeans to exert more pressure on Serbia in order to persuade Belgrade to recognize Croatia. Following talks with the CSU [Christian Social Union] executive, Valentic said in Munich today that Croatia provided proof of its desire for peace by again granting a UN mandate. He holds no illusions with regard to Serbia, Valentic said, but he hopes that it will be realized that recognition of Croatia is in the interests of both sides.

The UN mandate for the stationing of 12,000 blue helmet troops is not being extended, but a modified agreement is to be reached on the presence of 5,000 UNPROFOR men before the present mandate expires at the end of March, the prime minister stressed. This will prevent a vacuum, he added. If the Serbs do not accept the mandate and the "reintegration" of occupied areas planned by Croatia, they will bear responsibility for the resulting consequences, [he said].

CSU leader Theo Waigel said that during the talks he warned of the unforeseeable consequences which the withdrawal of UN troops from Croatia could entail. He said such a withdrawal would jeopardize confidence in Croatia's economic and political stability.

'Covert Reasons' Revealed for Relocating Airport

AU1403081395 Belgrade NASA BORBA in Serbo-Croatian 13 Mar 95 p 10

[Report by Petar Janicic: "Why is a New Airport Under Construction?"]

[FBIS Translated Excerpt] At the recent carnival in Dubrovacka Zupa (Sunday, 26 February) every local politician was "satirically needed" at least once. The expression "high flyers crash at Lisacke Rudine" was coined for Luka Korda, president of the Konavli Municipality.

We would not mention this carnival expression if it were not connected to the controversial border with Montenegro, Prevlaka, and a part of eastern Herzegovina. Namely, as early as 1991 (when war broke out in the Dubrovnik region), an initiative was launched—recently officially confirmed—to construct a new airport at Lisacke Rudine near Slano (west of Dubrovnik), and at the same time close the Dubrovnik's Cilipi Airport (east of Dubrovnik).

There are public and covert reasons for this move and it is highly likely that the covert reasons are the crucial ones. By opting to construct an airport at Lisacke Rudine, the

leadership of the city of Dubrovnik reiterated that traffic at Cilipi Airport had dropped (there are no more passengers from Montenegro or eastern Herzegovina), that it was necessary to revive the western part of the Dubrovnik-Neretva Grand County and Herceg-Bosna (who knows when Mostar's airport will be operational again), that a strong wind blows at Cilipi, which is why in winter aircraft are very rarely able to land, and so forth.

However, there are other reasons, and the initiative for relocating the airport came from the "state leadership." Konavli continue to be a risk zone and this narrow part of the Republic of Croatia is so narrow that it will not be possible to use the airport without violating the airspace of the Srpska republic and Montenegro once the Croatian Army withdraws from the occupied part of the Trebinje Municipality, that is, when according to the Contact Group plan the Croatian border towards Herzegovina is placed at Ivanica above Dubrovnik, which is where the border between Croatia and the former Bosnia-Herzegovina used to be.

In Konavli, they say that the region has been designated for bargaining: The exchange of Prevlaka or perhaps even a part of eastern Konavli for the part of the Trebinje Municipality where the Croatian Army is currently deployed. [passage omitted]

SNS: Ethnic Cleansing Continues in Country

95BA0172D Belgrade BORBA in Serbo-Croatian
16 Feb 95 p 4

[Unattributed TANJUG article: "Mobilization Under Pressure"]

[FBIS Translated Text] *The Serbian National Party [SNS] from Zagreb; party president Milan Djukic has publicized on Croatian TV pictures of discrimination against Serbs in Croatia.*

Zagreb (TANJUG)—President of the SNS in Zagreb Milan Djukic stated that the human rights of Serbs in Zagreb were being systematically violated and that in that situation, one could hardly talk about restoring the Serbian people's trust in the Croatian regime.

Last night, on the Croatian TV broadcast "From Party Life," Djukic said that Serbs continued to be fired from their jobs, and that emigration, which the Croatian authorities did not care about at all, was also continuing.

He warned that the eviction of Serbs from their apartments was continuing, that discrimination was being conducted in employment and in other ways, and that recently the mobilization of citizens of Serbian nationality had also become more frequent.

SNS Vice President Veselin Pejnovic, in the same broadcast, again stated the fact that 300,000 Serbs had moved out of Croatia, and felt that this had implemented what the NDH [Independent State of Croatia] had not even succeeded in doing 50 years ago.

Because that emigration was still continuing, Pejnovic said that soon all the information that his party had would be sent to international institutions, so that by seeing the real state of affairs they would realize the full seriousness of that problem.

"The International Court of Justice in The Hague has started to issue indictments for war criminals, but we expect that those responsible for criminal actions against the Serbs in Croatia will also be brought to justice," Pejnovic concluded.

Martic: FRY, Serbia Will Defend Krajina

95BA0171B Belgrade BORBA in Serbo-Croatian
15 Feb 95 p 3

[Article by S. Pokrajac-Stanjitovic: "Milan Martic at News Conference in Belgrade: Against [Cupanja Neba] and Sanctions on Earth"]

[FBIS Translated Text] *Krajina has been in existence for five years now; the legal and historical facts are on our side, and we are not afraid of negotiations, said the president of the RSK [republic of Serb Krajina].*

Belgrade—The highest-ranking representatives of the FRY [Federal Republic of Yugoslavia] and of Serbia will live up to the obligation from the Vance plan to protect the republic of Serb Krajina in the event of a withdrawal of the peacekeeping forces and a possible attack by Croatia. This was declared yesterday at the filled-to-overflowing International Press Center [MPC] by RSK president Milan Martic during a news conference, in response to a question about whether the RSK has guarantees from the president of Serbia concerning military aid. Emphasizing that he does not want to name names, Martic said that a series of talks has been held with leaders of Serbia and the FRY that were "correct in the sense of living up to the FRY's obligation in accordance with the Vance plan," and that there also exists a written obligation for this. Martic refused to comment on the recent statement by Borisav Jovic that the FRY has no obligation to offer Krajina military assistance if it is attacked, calling that "contradictory." There is no possibility whatsoever that any politician in Serbia or the FRY will recognize Croatia in the AVNOJ [Anti-Fascist Council of People's Liberation of Yugoslavia] borders.

Martic called the Serbian president's stance of not mediating and not participating in decisionmaking during the negotiations between Knin and Zagreb "correct," emphasizing that "President Milosevic has said on several occasions that we ourselves must resolve the problem of Krajina and Croatia." The Krajinan president called the Russian diplomats' appeal to the Serbian president to recognize Croatia in the AVNOJ borders "an erroneous step." Russian diplomacy is trying to extricate itself but is doing so in the wrong way. Russian diplomacy could have been a force previously—if it had vetoed the sanctions against Yugoslavia, Martic said, adding that

"what the world has done to Yugoslavia is now happening in Chechnya according to the same model."

Danger of the Spread of War

Noting that the RSK has not even considered the plan of the "3-4" mini-contact group and that it does not know what it contains, Martić said that no plan "has any chance of succeeding if the peacekeeping forces do not remain after 31 March. We do not agree with the change in the UNPROFOR [UN Protection Forces] mandate, and Croatia alone cannot decide that, because besides it, the RSK and FRY also decided on the presence of the peacekeeping forces by accepting the Vance plan. Its key provisions," Martić reminded, are that the presence of the peacekeeping forces cannot prejudice a political solution and that they will remain until political solutions are found, but by peaceful means.

What will happen if UNPROFOR leaves anyway? This was a question to which the RSK president responded:

"We will not prevent them from doing so, nor will we make any problems for them. We want to show the world that our orientation is toward peace, and the only way to do that is for the peacekeeping forces to stay. If the world wants peace, then it will make an effort to see to it that UNPROFOR stays. If it does not do that, there could be a dangerous escalation of the war, even beyond the current crisis area, which no one would be able to control. We want peace, but if war is forced upon us then we will protect ourselves not only through defense but also by attacking. It should not be forgotten that the Serbs are one nation in the territory of the former SFRY [Socialist Federal Republic of Yugoslavia] and that they will always stick together, regardless of where they live, and defend themselves in all regions."

Asked whether UNPROFOR's departure would mean a complete breakdown of all negotiations between the RSK and Croatia, Martić responded that the role of the peacekeeping forces thus far has been enormous and that he believes that nothing would be achieved through negotiations if UNPROFOR were not there. "At one time we were angry with them, both we and the Croats, but all in all the peacekeeping forces have done a good job thus far. I am not very optimistic that we will be able to agree to anything with Croatia without the presence of the peacekeeping forces because the Croats are not treating us as a sovereign state, which we are, but rather as occupiers," Martić said. He especially emphasized that Croatia made this sort of decision "at the prompting of its continuous sponsor, Germany, expecting that the UN Security Council will exert pressure on the FRY to recognize Croatia in the AVNOJ borders."

Croatia Is Not Peaceful Either

In Martić's opinion, Tudjman was also forced into this decision by the major destabilization of Croatia on the

domestic scene and by political in-fighting in the Croatian Assembly. "But not all regions of Croatia are in favor of waging war with us. They have clearly made that known to us in recent days. All of Istria does not want war with the RSK, and the same is true of Dalmatia," the Krajinan president said.

Martić also pointed to the obligation of the republic of Srpska [RS], according to the Prijedor declaration, for mutual military assistance between the RS and the RSK, emphasizing that such assistance has in fact existed in the past and that there is nothing to hide here because "we are one nation." He denied that the airport in Udbina is being used to bomb Muslim positions in the Bihac region and emphasized that talk of selling territory is "ordinary speculation." Asked why RS president Radovan Karadzic has not appeared at a news conference at the MPC for some time now, Martić responded that that question should be posed to others, not to him.

Martić called the upcoming visit to the FRY by Croatian Minister Mate Granic "a return visit to Minister Jovanovic." "We have nothing against relations between Yugoslavia and Croatia, but the question of Krajina cannot be resolved without the Krajina state leadership." Asked why he wrote a letter to Giancarlo Fini, "the leader of the fascist party in Italy," Martić responded that with him all parties are treated the same, but that in Italy Fini represents a large number of people and has a great deal of power, and he wants to recognize Krajina.

The RSK president especially emphasized that Krajina has been in existence for five years now and that "real, legal, and historical facts are on our side and we are not afraid of negotiations." We are offering Croatia negotiations, but exclusively on an equal basis with international mediation, Milan Martić said.

Tension Increases at Border With Montenegro

95BA0171C Belgrade BORBA in Serbo-Croatian
15 Feb 95 p 4

[Article by B. Pejovic: "Fear for Prevlaka"]

[FBIS Translated Text] Podgorica—For leaders of the Serbian Radical Party in Montenegro, the occupation of the Kupica region by the Croatian military is a very important issue. Acim Visnjic, vice chairman of the Central Homeland Office, emphasized yesterday at a news conference that the assertions by Montenegrin President Momir Bulatovic about how Prevlaka will remain within the borders of the FRY [Federal Republic of Yugoslavia] have proven to be untrue. "The people must be openly told to prepare for war," Visnjic said, "because that is what the great powers want." Croatia is clearly showing that it wants Prevlaka and the entire Boka Kotorska Bay, Visnjic believes. He also said that the FRY blockade against the republic of Srpska is bigger than the international community's blockade against Yugoslavia.

Gligorov Addresses Copenhagen Social Summit

*AU1403094995 Skopje NOVA MAKEDONIJA in
Macedonian 13 Mar 95 p 2*

[Unattributed report on speech by President Kiro Gligorov at the Social Development Summit in Copenhagen; date not given: "The Embargoes Threaten Social Security in Macedonia"]

[FBIS Translated Text] "The Summit on Social Development is of particular importance for my country, the Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM]. We are convinced that the prevailing stance at this summit is that social problems cannot be separated not only from the economic development, but also from the political, the ecological, and the democratic trends in the world. We are also convinced that the prevailing view is that globalization of world's economy and technological development leads to interdependence of the development of the countries in the world." This is what Kiro Gligorov said at the beginning of his speech.

"We believe that, on the eve of 21st Century, the social questions of humankind are even larger and more complex because they reflect the discrepancy between the present degree of development of science and production and the difficult social situation of a great part of the world. It is exactly here that the greatest contradictions and differences are being manifested among the countries and nations in the world. The differences in the economic development and the democratic emancipation of the countries continue to create different "worlds" on our planet. While, on one side, the world of the developed is engaged in the further development of a higher degree of social needs—the quality of life and human rights in the era of information and bioengineering, protection of the environment, and social security—the world of the underdeveloped and the countries in transition are occupied with issues like social tensions and problems that in some countries develop into violence. However, it is a fact that, today, the economies of the developed countries are more dependent on trade and investment in the underdeveloped countries. On the other hand, the social problems of the underdeveloped cannot be restricted within the borders of these countries. These problems are definitely becoming regional and global. Today, the countries in transition are going through periods of transition to market economy and democracy. This transition is certainly accompanied by serious social disturbances that can, and in some countries they already do, generate a general instability and represent a risk for destabilization and war in some regions.

"On the eve of a new century," Gligorov continued, "the world is facing the need for the globalization of social problems. It is obvious that the gap between the developed and the underdeveloped is deepening and the differences frequently cause international conflicts that are a threat to peace and security in the world. If we look

at the present hotbeds of crisis, local, civil, or regional wars, and interstate and interethnic conflicts, we see that the basic causes are difficult economic and social conditions and a lack of democracy for all of them without exception."

Support to Basic Principles

"This summit has undoubtedly shown that social development must be taken as an integral part of the economic development of the countries and as a primary question of the international community.

"This is exactly the reason why one can be encouraged by the action program that was proposed at the summit. We support the basic principles in particular, especially the part that says that social development cannot be separated from economic development, democracy, or respect for human rights. The principle of access to the world's markets is of special importance, particularly for the underdeveloped countries and countries in transition, as the most appropriate path to their faster development. There is a direct link between the economic and democratic reforms in the countries in transition and the solution of the essential social problems that are caused by the reforms. Poverty, a high level of unemployment, and social insecurity in these countries threaten to slow down the reforms as well as the outcome itself. It is of great importance that the prevailing view here is that the achievements of these reforms can be reached quickly and well—and that depends on the reduction of the social risks that these reforms can cause. In order to have a social dimension in the development it is necessary to give appropriate support to the economic and political reforms in these countries. This refers particularly to the construction of social and developing strategies in these countries by introducing progressive taxation systems and by reducing public consumption and military expenditure. At the same time, it is important for the international community to give major support to these countries by providing them with a free traffic of capital and the transfer of technology, and by making joint investments through the mechanisms of the United Nations, like ECOSOC [UN Economic and Social Council], the specialized agencies of the United Nations, the International Labor Organization (ILO), the Monetary Fund (IMF), the World Bank, and the World Trade Organization [WTO].

"In this context, it is of particular importance to solve the problems of integration of the Central and East European countries into the European associations. The growing social problems in these countries are a threat not only to economic development in Europe, but also to its stability. That is why the faster opening of the European borders to these European regions and their access to the European market represent the best prevention of not only the social and political conflicts, but also for transforming them into a focus of European economic development."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Serious Social Problems

"The Republic of Macedonia is a small country, without access to the sea, and it is located in the most turbulent region—in the Balkans. It is faced with great problems as a country in transition, but also with other great problems caused by the war that is being waged in the region and the constant tensions in the relations of the states in the neighborhood. The Republic of Macedonia is faced with serious social problems," the Macedonian president emphasized.

"Nevertheless, even under such circumstances, the Republic of Macedonia has definitely opted for market reforms and democracy and for a modern social development and security. However, the greatest problems in our development and economy are typically social: A high level of unemployment, a growing number of companies in liquidation, and poor social and pension funds, and yet we remain consistent in the programs for structural reforms that have started in cooperation with the World Bank and the IMF. At the same time, we are also aware of the need of indispensable assistance of international capital and financial institutions in solving the social dimension of the development and the reforms.

"Unfortunately, in spite of these objective problems, social tension is growing, also due to the consequences of the unilateral Greek embargo against our country and the consequences that we suffer due to the sanctions against Serbia and Montenegro. The monthly losses due to the Greek embargo are \$50 million and it adds greatly to the general social insecurity and impoverishment. This, as well as the practically impossible access to the European markets, has largely restricted the possibilities of the Republic of Macedonia for solving social problems. If these questions are not solved, the social tensions in our country can become a serious threat to peace and stability in the south of the Balkans."

At the end of his speech, Kiro Gligorov said that the expectations from this summit are great. He expressed his belief not only that the Action Program would be accepted, but also that consensus would be reached for its implementation. He expressed his hope that, after Copenhagen, there would be a better future for mankind.

[Box p 2]

Gligorov's Bilateral Talks

Of Gligorov's bilateral talks today, the most cordial one was with Danish Foreign Minister Petersen who immediately raised the question of the Greek embargo and expressed his wish to visit Macedonia. He also stressed that Denmark will continue to provide political and financial support to Macedonia.

European Commission President Jacques Santer assured President Gligorov that a decision of the European Court on the Greek embargo would be reached in the spring and that it would facilitate the solution of the problems between the European Union and Macedonia.

In his talks with U.S. Deputy Secretary of State Richard Holbrooke, Gligorov brought up the issue of the separation of the peacemakers in the Republic from UNPROFOR [UN Protection Force], which Holbrooke assessed as a good proposal, one that he would support. The U.S. diplomat also asked to meet Foreign Minister Crvenkovski in the United States after his discussions with Cyrus Vance, and he also said that he would intensify his involvement in solving Macedonia's problems.

Commentary: U.S. Trying To 'Provoke Upheaval'

AU1303170795 Novi Sad DNEVNIK in Serbo-Croatian
9 Mar 95 p 5

[Commentary by Mile Radenkovic: "American Spring"]

[FBIS Translated Text] The United States has been announcing a war in Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] for three years. Knowing the outcome of their propaganda activities in other similar cases, it seems that a war may really start in the southern Balkans. The situation in Macedonia is tense and completely undefined, but it is as far away from war as Macedonia is from the United States.

The United States is trying to confirm its thesis about an imminent war in various ways, the latest being the announcement that 15,000 new soldiers will be sent to Macedonia to carry out the so-called preventative protection of Macedonia's sovereignty. As in earlier times, this intention is accompanied by undefined explanations that genocidal Serbian aggression is a threat to both Macedonia and Albania. Knowing all this, it must be clear to any layman that the United States is insisting on Serbian aggression for reasons known only to them. The real problem lies in the fact that the Macedonian leaders can no longer avoid both the friendship imposed on them by the United States and preparations for a future war on their territory.

The grumbling of the man in the street, open letters and televisual presentations prepared by objective intellectuals and retired generals all confirm that the present friendship with the United States makes no sense. General Atanaskovski, a man highly objective regarding the military doctrine, expressed his fear "of the use of soldier-protectors in possible internal Macedonian conflicts." His fear is justified, especially after it was published that the CIA secretly visited Tirana and a strategy was allegedly worked out there to provoke an upheaval in the spring.

In other words, the United States wants to be on the safe side; it is preparing trouble and, at the same time, the soldiers who would subsequently repress it. If we summarize all the available facts, we must conclude that in the event of "Serbian aggression," 15,000 U.S. and 15,500 UN Protection Force forces could not do anything, but that they would be very powerful in an international conflict in Macedonia. The U.S. hypocrisy

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

toward Macedonia is more than obvious. Clinton's administration is equally striving for the military protection and for the destabilization of Macedonia.

The arrival of fresh U.S. troops in Macedonia will be preceded by a campaign about the Albanian university in Tetovo. It has proved true that the attendance of former Congressman Diogardi at the opening ceremony of the university was sanctioned by the U.S. Congress. His task was to establish facts and inform the representatives of the U.S. legal system about them. But his behavior in Tetovo, the way in which he left Macedonia, and the demonstration that he organized in New York as a symbol of a protest against the Macedonian authorities show that he is biased.

The Albanians in Macedonia could easily find a solution to any problem, including the university, without him, but U.S. support enables the Albanians not to respect Macedonian laws, let alone take part in a dialogue with Macedonia, which they regularly use as a platitude. The presence of the diplomatic representatives of large European countries in Macedonia, Akashi's regular visits to Skopje, and frequent statements issued by the Russian Ambassador Trusin show that various strategies are being applied, which can very quickly result in the confirmation of the U.S. prognosis about a spring upheaval in Macedonia.

The Macedonian leaders do not seem to care for all this as though it were none of their concern. Their rhetorical opposition to the deployment of new U.S. troops and the phrases about the policy of equidistance toward their neighbors have neither importance nor influence on the events prepared by their American friends, who do not care about equidistance. The dangerous games over Macedonia are silently coming to the final stage and we must wait for the epilogue in spring, as is advised by its commissioner, the United States.

Military Delegation Departs for Visit to Turkey

LD1303163795 Belgrade TANJUG Domestic Service in Serbo-Croatian 1600 GMT 13 Mar 95

[FBIS Translated Text] Skopje, 13 Mar (TANJUG)—A high-ranking military delegation of The Former Yugoslav Republic of Macedonia [FYROM] today left on a several-day working visit to the Armed Forces of the Republic of Turkey, it has been announced in Skopje.

The delegation, which is being led by Lieutenant Colonel General Trajce Krstevski of the Macedonian Army, will have several meetings with military representatives of the Turkish Armed Forces, and a meeting with Ismail Hakki Karadayi, chief of the general staff of the Turkish Army.

Apart from the United States, Turkey is one of the countries which the FYROM depends on to provide military assistance, especially in terms of training its officers. Last month, deputies at a closed session of the

Macedonian parliament approved a special document on military cooperation with this Balkan country.

Kumanovo Tense After Graveyard Desecrations

AU1303200095 Belgrade Radio Beograd Network in Serbo-Croatian 1800 GMT 13 Mar 95

[Report by EKSPRES POLITIKA Skopje correspondent Aleksandar Nikolic Pisarev from Kumanovo]

[FBIS Translated Text] In a new section of the Orthodox cemetery in Kumanovo, 150 memorial stones—situated along a 1 km long lane—were destroyed over the weekend. All the windows and doors of the new chapel were also destroyed. The political and security situation in the town is extremely tense following this barbaric act. A protest rally has been announced for tonight in front of the City Assembly, at which citizens whose property has been damaged will demand protection of their property.

Kumanovo Mayor Blagoj Kiprijanovski yesterday addressed citizens over local radio and asked them to remain calm and to refrain from organizing rallies and publicly expressing their dissatisfaction. Police patrols in the city have been stepped up and the Interior Ministry has called on all citizens to report on the damage done. There is fear here that this is an act of revenge for the recently destroyed 30 tombstones at the Muslim cemetery, which could give rise to wider riots and increase antagonism between Macedonians and Albanians in Kumanovo.

Full Diplomatic Relations Established With Iran

AU1303180195 Skopje MIC in English 13 Mar 95

[FBIS Transcribed Text] The exchange of notes between the permanent missions of the Republic of Macedonia [The Former Yugoslav Republic of Macedonia] and the Islamic Republic of Iran, at the UN, on Friday [10 March], marked the establishment of full diplomatic relations between the Government of the Republic of Macedonia and the Government of the Islamic Republic of Iran.

Social Tension Increases With Privatization

95BA0172B Belgrade BORBA in Serbo-Croatian 16 Feb 95 p 6

[Article by Mladen Stancic: "Privatization: A Plan Without Consultation"—first paragraph is BORBA introduction]

[FBIS Translated Text] *There have been more and more pressures and challenges to the legal model for transformation, along with a growth in social tensions.*

A special report for BORBA from TANJUG's correspondent.

Skopje—"The Macedonian economy needs a master—why should we wait?" is the marketeering slogan of a

warning to the vacillating local managements at firms that have not implemented out the legal adjustment to privatization cuts.

In a full 20 months, the privatization process in The Former Yugoslav Republic of Macedonia [FYROM] has encompassed 89 small, medium-sized, and large enterprises.

Halfway

At the last meeting of the state privatization commission, the above-mentioned figure of enterprises that had received a "green light" for the chosen model of restructuring in accordance with article 15 of the Law on the Transformation of Enterprises With Social Capital was completed.

The enterprises represented in privatization are mostly firms that have remained "halfway" along, with the quasi-method in the previous law from Yugoslav Federal Prime Minister Ante Markovic, when social capital was purchased with social money.

A general criticism of the legal privatization of firms among experts here is the slowness of the process, which causes additional damage to the national economy.

Under pressure from international financial institutions, especially the IMF and the World Bank, approval of a standby arrangement for FYROM is being made directly conditional upon privatization, primarily of small and medium-sized enterprises.

The legal deadline for adopting decisions at such firms on transforming their ownership expired on 10 December 1994.

According to information from one of the directors from the State Privatization Agency, so far such a decision has been adopted by 711 small and medium-sized enterprises, out of a total of 1,400 in the new Balkan state.

According to some other sources that are also close to the agency, however, the number of enterprises that have expressed readiness for privatization by means of a decision on ownership transformation is only 168.

According to the law's provisions, all firms that have not met the deadline remain state-owned in practice—i.e., their privatization will be managed by the government agency.

The contradictory data on the number of firms ready for privatization are only part of the problems accompanying this process.

Branko Zelenkov, professor at the Skopje Law School, disputes the realism of the assessment of the social capital of Macedonian firms, believing that it has in effect been neutralized, or more precisely cut in half in accordance with the book value with the latest assessment.

The low interest in privatization is also accompanied by an increasing growth in social tensions.

Protest by the Hungry

In a "protest by the hungry" last week in Prilep, several thousand unemployed workers, farmers, tobacco producers, and retirees, in demands sent to the government, the parliament, and state President Kiro Gligorov, insisted on the immediate cancellation of the law on privatization.

The FYROM Federation of Trade Unions, however, announced the organization of a general strike over the theft of social capital.

While the program for the transformation of the 25 biggest loss-producers in FYROM (they employ 44,000 workers) under the government's sponsorship provides for the dismissal of about 15,500 workers, tens of thousands of employees at other firms have not received any pay for months.

It sounds paradoxical, however, that the expert teams of assessors of firms' capital, mostly from the Economics School in Skopje, are literally robbing enterprises that are already having trouble with finances, while workers have not received wages for months.

Thus, for example, the Pelagonija construction enterprise in Skopje paid the experts 21,000 German marks [DM] for an assessment, Zito-Plus DM126,000, and the three largest tobacco combines in Macedonia DM86,000.

Experience from the developed world, to which FYROM aspires, indicates that such transactions do not cost more than DM20,000 anywhere.

"Ownership is a trap: What we think we have, has us," a French writer wrote at one time, and today that harsh realization is also evident in FYROM in the postcommunist adjustments to Western models for a "better life."

From the workers' standpoint, the Macedonian privatization plan without consultation on that path is only one example of that.

Federal

Seselj: Tudjman Deal on Borders 'Another Swindle'

LD1303133995 Belgrade SRNA in Serbo-Croatian 1223 GMT 13 Mar 95

[FBIS Translated Text] Belgrade, 13 Mar (SRNA)—Vojislav Seselj, leader of the Serbian Radical Party, stated in Belgrade today that the deployment of international forces on the territory of the Serb Krajina was very dangerous, as this represents yet another swindle by Tudjman in agreement with foreign powers, whose aim is to present everything as being a great concession by the Croatian side.

"In essence, this is a very dangerous swindle whereby foreign troops should be deployed along the borders between the republic of Serbian Krajina and the Srpska republic and Serbia; someone else other than the Croatian ustashe army will perform their border service on those imaginary borders of Croatia", the Serb radicals' leader told SRNA.

According to him, the Serbs should reject this option, "as the border service between the Srpska republic and Serbia can be performed only by the Serb Krajina army."

Commenting on the latest developments in former Bosnia-Herzegovina, Seselj said that a new war against the Srpska republic was being prepared there, to which the Serbs ought to retaliate fiercely and completely defeat Croats and Muslims.

Envoy to UN: World Breached International Law

LD1403012795 Belgrade TANJUG in English 2356 GMT 13 Mar 95

[FBIS Transcribed Text] New York, March 13 (TANJUG)—Yugoslav Ambassador to the United Nations Dragomir Djokic on Monday said the international community had drastically breached international law in the crisis in the former Yugoslavia. He said this may cause legal uncertainty in international relations.

Addressing a congress on international law, organized at the U.N. Headquarters in New York, Djokic said that by recognizing prematurely the breakaway Yugoslav republics of Slovenia, Croatia, Bosnia-Herzegovina and Macedonia [The Former Yugoslav Republic of Macedonia], the international community had given priority to internal, administrative borders over the internationally recognized borders.

Another major mistake was the recognition of the right of self-determination to republics and not to the nations, which opened the door to secession without previous political solutions to the questions under dispute, Djokic said. He said the expelling of the Federal Republic of Yugoslavia from the United Nations General Assembly

and other bodies, and the imposition of sanctions regardless of some relevant facts marked another precedent in international relations.

The U.N. Security Council in May 1992 imposed comprehensive sanctions on the Yugoslav Federation of Serbia and Montenegro on the account of alleged involvement in the civil war in the neighboring former Yugoslav Republic of Bosnia-Herzegovina. The sanctions were imposed despite the fact that there were no Yugoslav Army troops in the Bosnian territory at the time and that the conflict was in fact a civil war among Bosnia's three constituent peoples—Muslims, Serbs and Croats.

Jovanovic's Visit to Italy Will Boost Ties

LD1303140995 Belgrade TANJUG in English 1252 GMT 13 Mar 95

[FBIS Transcribed Text] Rome, March 13 (TANJUG)—Yugoslav Foreign Minister Vladislav Jovanovic's visit to Italy, scheduled for Thursday, is to pave the way for political and economic cooperation with Italy after the lifting of the sanctions against Yugoslavia.

Jovanovic's visit comes at the time of Italy's altered stand on the three-year-old sanctions against Yugoslavia that has evolved from a general position that the sanctions are a 'just punishment to break the backbone of Serbian obstinacy and aggression' to an assessment that the sanctions are 'a specific type of aggression against a nation.'

There are growing demands in Italy for the lifting of what is termed as an 'unfounded and pointless blockade, which, apart from the fact that it has missed its political goal, causes extensive damage to Yugoslavia's neighbors and business partners.'

Contrary to its Christian Democrat and socialist predecessors, the new Italian political leadership did not want to turn a blind eye to Italy's major economic and strategic interests in Yugoslavia. 'I am very pleased with Italy's major contribution to the easing of the sanctions against Belgrade,' former Italian prime minister Silvio Berlusconi told reporters in Rome after the suspension of selected sanctions against Yugoslavia in the area of sports, culture, air and sea travel.

Berlusconi said he wished the embargo would be totally lifted in the near future as the Yugoslav republics of Serbia and Montenegro were 'a new and big market in which we (Italy) are very interested.' The value of trade between the former Yugoslavia and Italy amounted to five billion dollars in 1991, Yugoslav Chamber of Commerce representative in Rome Branko Perovic has said.

Italian businessmen and government experts are confident that this level of foreign trade turnover can be reached again with Serbia and Montenegro alone in a relatively short period of time after the lifting of all sanctions against Yugoslavia. Serbia and Montenegro

accounted for 70 percent of former Yugoslavia's total export-import deals with Italy, which used to be former Yugoslavia's second Western partner.

Following the suspension of the selected sanctions against Yugoslavia, a handful of Yugoslav economic and other representatives in Italy have been flooded with enquiries and concrete offers for opening new sea and air lines as well as for investing capital in Yugoslavia's production, tourism, hunting, trade and other fields. Italy and Yugoslavia no longer share a land border and the only way they can cooperate now is a 210-km long Adriatic Sea route between the Montenegrin port of Bar and the Italian port of Bari.

It has been estimated that this unjustly neglected route will become one of Yugoslavia's main corridors for traffic and economic links with the west and Italy's links with the east. Italy has major economic interests in Serbia and Montenegro, which are a big market with their 11-million-strong population, and it sees this region as a strategic corridor for the breakthrough of its influence and interest into central and eastern Europe, especially Romania and Russia.

Drug-Trafficking Through Country Decreasing

LD1303155495 Belgrade TANJUG in English 1501 GMT 13 Mar 95

[FBIS Transcribed Text] Belgrade, March 13 (TANJUG)—The war in the former Yugoslavia and the sanctions against the successor state, the Yugoslav Federation of Serbia and Montenegro, have reduced the narcotics flow to Western Europe via the Turkey-Bulgaria-Yugoslavia land route, the Yugoslav Government said in a document published on Monday.

The document, which will be published as an official report by the U.N. Commission on Narcotic Drugs, said the situation on the territory of the former Yugoslavia had led to the opening of new land routes that went across Romania, Hungary and the Czech Republic. The U.N. Commission on Narcotic Drugs will hold its 38th session in Vienna on March 14-23.

Yugoslav experts, however, estimate that the economic blockade of Yugoslavia has reduced drug transit via Yugoslavia and opened alternative routes toward Western Europe only temporarily. The U.N. Security Council imposed the sanctions on Yugoslavia in May 1992, alleging the country's involvement in the Bosnian civil war between local Muslims, Serbs and Croats.

The document said that the sanctions 'accounted for the suspension of the [word indistinct] project of equipping mobile customs teams to combat illicit traffic in narcotic drugs,' and resulted in Yugoslavia's exclusion from the Interpol telecommunication network. This has made it very difficult for the Yugoslav authorities to suppress the illicit drug transports, the document said.

For 30 years, the former Yugoslavia used to be a busy transit route for illicit drug trade, which its authorities very successfully combatted. The document said that ethnic Albanians from the south Serbian Province of Kosovo and Metohija were very active in the international illicit drug trade over the past ten years.

They use much of the proceeds to purchase arms and smuggle them into the province in order to secede forcibly from Yugoslavia, the document said. The document said in illustration that 'in the first half of 1988, 55 persons, mainly ethnic Albanians, were arrested in (the province's center of) Pristina,' and that 'about 40 Yugoslav citizens, mainly ethnic Albanians,' were arrested in Vienna also in 1988, on charges of illicit drug trade.

More than 300 ethnic Albanians from Yugoslavia were arrested in Switzerland between 1991 and 1993, the document said and added that they had sold about 200 kg of heroin in Switzerland.

Slovene National Party Proposes Closer Relations

95BA0172E Belgrade POLITIKA in Serbo-Croatian 16 Feb 95 p 7

[Article by Milan Jaksic: "Relations With Yugoslavia Should Be Established Immediately"]

[FBIS Translated Text] Proposal from the Slovene National Party [SNS]: "The closest possible relations with Belgrade are also necessary as a bulwark against growing Croatian expansionism," Zmago Jelencic said.

Ljubljana, 16 Feb.—The SNS has begun a parliamentary initiative to "establish the closest possible relations between Slovenia and the Federal Republic of Yugoslavia [FRY]." The public was informed about this at a news conference by the party's president, Zmago Jelencic. As the main reason for the initiative, Jelencic cited "the danger from growing Croatian expansionism," repeating in this context his well-known previous idea that "Croatia is the common enemy of Slovenia and Yugoslavia."

In this regard he also criticized Slovene foreign policy, because of "numerous rotten agreements with Croatia," stating first of all a detail unknown to the public about events in Strasbourg, when, according to Jelencic, Slovene Prime Minister Janez Drnovsek proposed to the Council of Europe [CE] that it admit Croatia as a member. "Fortunately, the observers from this institution who were in Croatia submitted a report to the CE with an assessment that Croatia did not meet the conditions for membership," Jelencic warned.

He also criticized the results of the negotiations between the Slovene and Croatian finance ministers, Mitja Gaspari and Bozo Prka, "because Slovenia promised that it would pay back to Croatia about 300 million German marks of the Ljubljanska Banka's debts, while negotiations would be continued on the rest of the debt."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Specifically, Jelincic thinks that Slovenia "should take advantage of the unfavorable Croatian situation because of the war to fulfill its interests," citing in this regard the unsuccessful negotiations on Piran Bay and emphasizing that "now it is clear that the border between the two countries has to follow the bed of the Mirna River."

He likewise said that he agreed that Slovenia should cooperate economically with Croatia, but likewise that his party could not accept "the humiliations to which Slovenia was being subjected in relations with the neighboring country because Croatia outdid us every time that we tried to settle the unresolved issues with it." In connection with his party's initiative in parliament, which has to do with establishing relations with the FRY, he emphasized that "before independence Serbia was our top economic partner, and Croatia was only the third."

He suggested, however, that it was necessary to separate political autonomy and independence from economic cooperation and development. "Slovenia needs a market, and it is precisely for that reason that economic cooperation with the FRY is extremely important to us," Jelincic added, assessing that "the economic embargo against the FRY has virtually been lifted," while expressing at the same time his personal belief that "it would soon be completely eliminated." The SNS president consequently proposed that Slovenia prepare well for that moment, and start negotiations with the appropriate Yugoslav bodies. He also proposed opening informal representations in Ljubljana and Belgrade.

Professor Markovic Discusses Balkans Union

95BA0166B Belgrade POLITIKA in Serbo-Croatian 4 Feb 95 p 2

[Article by TANJUG: "Community of Balkan People and 'Entry Visa' to Europe"]

[FBIS Translated Text] Sofia, 3 Feb (TANJUG)—The idea of a community of Balkan peoples is the way to integrate these regions with all the peoples of Europe, Dr. Mira Markovic, Belgrade University professor, said today in Sofia at an event to promote the Bulgarian-language edition of her book *Odgovor* (Response).

"I have never said that a community of Balkan peoples would be organized as a federation, confederation, or some third structure, but I emphasize that if we want to be a part of unified Europe from London to Sofia, we must seek forms of association and life together," she said.

At the Sloveni [Slavs] Foundation, where the promotion was held, the conversation of Bulgarian public and cultural figures and journalists with Dr. Markovic concerning the current political situation in this part of Europe, relations between Bulgaria and Yugoslavia, and the civil war in the former Bosnia-Herzegovina lasted more than two and a half hours.

In her assessment, the main issue at this moment is not what to call the community of Balkan peoples, much less its organizational form, but the need for all its states to establish political, economic, and cultural ties in their common interest and on foundations of full equality, freedom, and democracy.

The Balkan peoples must cease once and for all to concern themselves only with the past, with divisions, and wars, which takes them back to earlier centuries, while the West is mastering new technologies, preparing for the 21st century, she said.

At the meeting in the prestigious Sloveni Foundation, which attracted an unusually large number of public and cultural figures in the Bulgarian capital, a small group of radical rightists attempted to intrude with questions about the supposedly difficult position of the Bulgarian minority in Yugoslavia and even about returning the so-called "western territories."

Emphasizing that she is here as the author of a book and a scholar, Dr. Markovic emphasized that the Balkan peoples, so long as they keep disputing minorities and territories, will never get away from primitive tribal quarrels and conflicts.

That only takes their relations backward and moves them further away from the material prosperity and achievements of the new century, which the West is taking great strides to seize, she said.

Government Steps To Repress Gray Economy

95BA0171E Belgrade BORBA in Serbo-Croatian 15 Feb 95 p 10

[Article by M. Stovanovic: "From Study by Republic Office of Public Revenues: Repressive Against Gray Economy"]

[FBIS Translated Text] *Through tax payments, including those on the value of seized goods, approximately 450 million dinars have been added to the state treasury over the past year; charges for economic violations have been brought against 1,247 persons.*

In the fight against the gray economy, which extends to around 50 percent of the social product in our economy, the Republic Office of Public Revenues has undertaken concrete measures, and the effects of these measures are already being felt. In an interview with chief inspector Miodrag Stojanovic, we learned that 122,000 verifications were performed over the past year. Around 450 million dinars were collected from the trade tax, excise tax, and profit tax, including the value of seized goods. The proceeds based on the value of seized goods alone were 51 million dinars, or 11.5 percent of the total revenues realized in this way.

According to one definition, the gray economy is the trade in goods without payment of taxes and other duty to the state, and its ultimate goal is the acquisition of

profits by individuals or a group. In tracking down business owners who in whatever way have attempted to evade their obligations to the state, the financial police determined that in as many as around 15,000 cases there are grounds for initiating tort proceedings. The Republic Office of Public Revenues has already reacted by presenting 14,819 demands for the initiation of tort proceedings. According to data from the Office of Public Revenues, there are 1,247 persons who should be held accountable for economic offenses. Another part of the fight against the pernicious activity of the gray economy, which necessarily involves the uncontrolled movement of enormous capital through illegal channels, is to bring criminal charges. Thus far, 436 have been brought.

Thus, in reducing the gray economy to some reasonable level—in healthy economies the share of the gray economy in the overall social product is around 10 percent—repressive measures have been employed. The effects of these measures are expressed through, among other things, the several hundred million dinars that have been added to the state treasury. But determining and, most of all, eliminating the causes of this phenomenon while freeing up the legal channels for the flow of goods and money is a much more complicated process and demands more time. The real effects cannot be expected until the coming period.

Professor Comments on Threat of Islam to World

95BA0171F Belgrade BORBA in Serbo-Croatian 15 Feb 95 p 14

[Interview with Dr. Miroljub Jevtic, professor of political science at Belgrade University, by Radovan Mucibabic; place and date not given: "Islam Recognizes Only Jihad"]

[FBIS Translated Text] *No one can replace Izetbegovic. He can only be killed by those who have merely different ways to achieve a multiethnic Bosnia-Herzegovina; Silajdzic's possible advent would not essentially change anything. He is simply more pragmatic than his current president.*

In recent times, all around the world, warnings have been voiced from the most important places concerning the expansion of Muslim fundamentalism. A few days ago, a brief wire report passed almost unnoticed through our media, as well as the world media. It involved a 14-year-old boy, a Christian from Pakistan, who was sentenced by the local regime to death by hanging because under the local law on blasphemy, he insulted Islam. The boy had written graffiti on the wall of a Pakistani mosque that did not please the authorities, and in this way he "earned" death.

World religious figures remain silent. The boy is waiting for the sentence to be carried out, unless it already has been (the AP report does not mention that). This is only one of the many reasons for our interview with Dr.

Miroljub Jevtic, a professor with the Department of Political Science in Belgrade, and an expert on Islam.

[Mucibabic] Many experts around the world have pointed to the danger of inroads by Islamic fundamentalism. A similar view was recently expressed in Belgrade by English Islamist Alfred Sherman, who took part in a SANU [Serbian Academy of Science and Art] international symposium on national minorities. If Mr. Sherman is right, and it appears that he is, what is your view of this problem, Prof. Jevtic?

[Jevtic] Mr. Sherman is absolutely right. It was a particular pleasure to hear him speak at that session. Unfortunately, his speech was considered racist by some people from Belgrade—just imagine! I was amazed. Mr. Sherman had this to say in response to all that: "Madam, Islam is a religion, not a race, and a speech against Islam cannot be racist."

It is utterly clear that Muslim fundamentalism is one of the greatest dangers to the entire world, which unfortunately is not recognized by the vast majority of people in the West. The former Yugoslavia is the best example of this statement. If Western analysts do not understand that the most radical Muslim fundamentalism is at play in Bosnia and that Albanian secessionism cannot be understood as anything other than formal nationalistic behavior behind which lurks the essence of Islam, then that is the clearest proof that those politicians and analysts understand nothing.

[Mucibabic] While in Belgrade, Mr. Sherman gave particular emphasis to the significance of the struggle of Serbs and Croats in the former Bosnia-Herzegovina. What do you think about that?

[Jevtic] Sherman is one of the few people who has outstandingly observed that the Serbs in the former Bosnia-Herzegovina are waging war against Islamic fundamentalism. And how could he not have done so when he knows quite well that Islam does not recognize any kind of war other than holy war, jihad. On that occasion, Sherman literally said that the Serbs are defending European civilization and that helping the Serbs means helping Europe as well.

[Mucibabic] A few days ago the Vatican called the former Bosnia-Herzegovina an Indian reservation suitable for radicalizing Muslim fundamentalism. Bearing in mind the previous role of the Vatican in the civil war in the former Yugoslavia, how would you comment on this position of the "Holy See"?

[Jevtic] If the Vatican said that in a pejorative sense, wishing to accuse Alija Izetbegovic of Islamic fundamentalism, then that is supreme hypocrisy, of which the Vatican is in fact extremely capable.

Because it is precisely the Vatican's policy to pressure the Muslims in Bosnia-Herzegovina. For at least 150 years, the Vatican has worked in this area to cooperate with the Muslims, but against Orthodoxy. If it were not

for their pressure, Bosnia-Herzegovina would never have been declared a sovereign state, because the Croats of Bosnia-Herzegovina were ready to reject the sovereignty of that former Yugoslav republic, but the Vatican forced them to act contrary to their wishes. Because of that, the Croats and Catholicism have been nearly exterminated from central Bosnia.

[Mucibabic] Official Turkey is turning with increasing radicalism to Haris Silajdzic, who is more welcome as a guest in both Ankara and Washington than is his president. Some analysts are willing to assert that this is the beginning of the end of Izetbegovic's political career?

[Jevtic] The basic ideology supported by Alija Izetbegovic is at the same time the ideology of the entire leadership of Alija's Bosnia-Herzegovina. Thus, after Alija you still have Alija. Izetbegovic only seems like a broken politician. He will never be replaced. The only way is to kill him.

[Mucibabic] Who would that suit?

[Jevtic] That would suit those who want to portray Bosnia as a possible multiethnic community, primarily the Americans.

In the attempt to destabilize, Izetbegovic is using the allegedly more liberal Muslim faction led by Silajdzic. However, the policy that Silajdzic supports is identical to Izetbegovic's policy. The difference is the Silajdzic is more pragmatic. He is well aware that everything that has been publicly seen in the military organization most of all, but also in the social organization of the Muslim Bosnia-Herzegovina, is very dangerous right now. For example, there have been cases of military commanders, such as the commander of the 3d Corps of Alija's army, beginning to act as if they had graduated from Khomeini's school. They have clearly portrayed their war as a jihad and themselves as mojahedin, and have thus offered up their goal—the destruction of the republic of Srpska and Herceg-Bosna. But it is not possible to achieve any sort of peace with that concept, nor to persuade Serbs to enter into a community with Muslims. It is precisely for those reasons that the allegedly more moderate Silajdzic, with whom such errors will not creep in, has become more prominent. His pragmatism is seen most of all in his behavior. He tries to, but also succeeds in—however much that is possible now—adapting to what his U.S. masters demand of him. But in essence, Haris Silajdzic is their enemy as well.

[Mucibabic] The Algerian military regime is increasingly isolated on the international political scene. According to some (the United States), an election victory by the Islamic Salvation Front is inevitable, while according to others (France) that is the worst possible solution.

[Jevtic] The French are absolutely right. One cannot negotiate with Muslim extremists because they simply lack the concept of peace in their world view. Or rather they have it, but it is the "pax islamica," and that is a situation where there is no state other than the Muslim

one, where non-Muslim citizens have limited civil and political rights. There can be peace with them, but only when New York is governed by Sharia law.

If the Islamic Salvation Front is victorious, a large number of refugees will rush into France and other Western countries. Also, the Islamic government in Algeria will serve as a logistical base for like-minded people in Mauritania, Morocco, Tunisia, and elsewhere. All of that would naturally cause enormous disruption in the region.

[Mucibabic] France accuses the United States of granting asylum to the leaders of Islamic parties from Algeria and other Mediterranean countries. They criticize some of their European allies for the same thing, and I assume that this means Great Britain and Germany.

[Jevtic] Yes, they are accusing, but the United States levels the countercharge that they gave asylum to Khomeini, which is the surest proof of the inconsistency of Western policy. If it were to happen that the people who do not want a fundamentalist regime swarm into Spain and France, that would make the demographic situation in those countries even worse. Remember that according to some data there are around 5 million Muslims living in France, somewhat fewer in Great Britain, while in Germany there are around 1.8 million Turks alone. The base of the Islamic revolution could be moved to Europe, and that is very well understood by French politicians.

[Mucibabic] What comments do you have on the statement by Andrey Kozyrev after his recent meeting with Silajdzic in Moscow, that Russia firmly supports the territorial integrity of the former Bosnia-Herzegovina and that he is against any change in the Contact Group peace plan? Is this a type of support for Washington's position, who is energetically opposed to giving in to Serb demands and extending the sanctions against Yugoslavia?

[Jevtic] The very fact that Haris Silajdzic was promised at such a high level that the former Bosnia-Herzegovina will be recognized in Tito's borders only once again confirms the belief of all those Serbs who from the outset have been skeptical about Russian assistance to the just struggle of the Serb nation. One Russian official once said to me, "How could you expect support from Russia on the question of Serbs in the former Bosnia-Herzegovina and Croatia when that same Russia has rejected several tens of millions of Russians left outside the borders of the Russian Federation?" That is indeed the surest proof that Russia is not pursuing an independent policy, but rather in many regards is blinding following the United States of America.

Serbia

Milosevic Meets With RSK's Mikelic, Babic

LD1303184195 Zagreb Radio Croatia Network in Serbo-Croatian 1800 GMT 13 Mar 95

[FBIS Translated Excerpt] Croatia's decision on the reduction in the number of peacekeepers and their

stationing on Croatia's borders has been received coolly in Belgrade. Ivana Sutlic-Peric reports:

[Sutlic-Peric] Serbian President Slobodan Milosevic today received RSK [republic of Serbian Krajina] Prime Minister Borislav Mikelic and RSK Foreign Minister Milan Babic. But there is no official information about several hours of talks.

After the talks, Mikelic and Babic refused to make any comment on their meeting with Milosevic. They assessed Croatia's decision as a sensible move, which was most likely making the continuation of economic and political talks possible.

Yugoslav Foreign Minister Vladislav Jovanovic, who attended the talks, said that he was not briefed in detail about President Tudjman's statement, but it was up to Knin to make a stand on this. [passage omitted]

Associations Send Volunteer Units to Krajina

AU1303211495 Belgrade NASA BORBA in Serbo-Croatian 11-12 Mar 95 p 3

[Report by S.N. Adamovic: "Volunteers Just for Defense"]

[FBIS Translated Text] Belgrade—The campaign to recruit volunteers started on the day that Tudjman decided to evict the UN Protection Force. In concrete terms, the Operational Headquarters for the Defense of the republic of Serbian Krajina was formed on 16 January and several hundred volunteers are already there, announced representatives of the Association of Serbs from the republic of Serbian Krajina and Croatia, and the Veterans' Association of the 1991 War at a press conference yesterday.

"We are a humanitarian organization," said retired Colonel Milan Milivojevic, president of the Veterans' Association of the 1991 War. Explaining this, the once active Yugoslav People's Army officer added that the volunteer units are not meant for the war option. They are being formed primarily to help the Serbian people in the republic of Serbian Krajina in the event of aggression by the Croatian Army. He then mentioned that the Association had already sent several hundred people to Krajina and that the campaign had been synchronized with volunteers, members of the Serbian Radical Party, the Serbian Renewal Movement, and the Serbian Guard. What remains are negotiations with the Serbian volunteer guard of Zeljko Raznatovic Arkan, after which all of the volunteers would participate in defending the republic of Serbian Krajina under the command of the Serbian Republic Army.

"We have not involved the state, nor do we wish to involve it in this campaign," said Milan Milivojevic, explaining the FRY [Federal Republic of Yugoslavia] role in this. He also said that they had asked state bodies to issue them with summons for military maneuvers—which they did not get—but, on the other hand, they did

succeed in securing for their volunteers guarantees that they would keep their jobs during the period of justified absence, that is, their engagement in the republic of Serbian Krajina.

County Seeks Means To Retain Professionals

95BA0172A Belgrade BORBA in Serbo-Croatian 16 Feb 95 p 4

[Article by B. Lukic: "How To Retain Experts"]

[FBIS Translated Text] "The Federal Ministry of Science, Development, and Environment, under the conditions of unfairly imposed sanctions, is actively working on overcoming the problem of involving our scientific personnel and potential in world scientific and technological flows," Federal Minister Prof. Janko Radulovic emphasized in an interview with reporters from Radio Belgrade, TANJUG, and BORBA.

A delegation from Yugoslavia also participated in the conference on scientific and technological parks, innovation centers, and small business that was held last month in Moscow, in addition to the countries of Central and East Europe, several countries from the EU [European Union], and the United States.

"The problem of the departure of highly expert personnel for developed countries is a big loss for us, in view of the enormous investments made in educating these experts, which can be as high as \$60,000 to \$100,000. In order to overcome this problem, it is necessary to create the necessary prerequisites for preventing "brain drain," as well as to work more intensively on establishing contacts with our experts around the world," Minister Radulovic said.

The recently initialed agreement on scientific and technical cooperation between the Federal Republic of Yugoslavia [FRY] and the Russian Federation is a significant contribution to overcoming the problem of scientific and technical cooperation.

Minister Janko Radulovic emphasized his expectation that an international scientific gathering on the problem of the departure of highly expert personnel would be held in the fall in Kotor. Recently our country was visited by Mr. Ramallo, deputy director general of UNESCO, which would be the sponsor of this gathering.

Kosovo

Tito's Formula Proposed as Solution to Situation

95BA0171D Belgrade BORBA in Serbo-Croatian 15 Feb 95 p 3

[TANJUG report: "ZERI Against Rugova: Better Tito Than the United States"]

[FBIS Translated Text] *The Pristina weekly offers "Tito's formula for Kosovo" as a solution for delicate situations in Lebanon, Chechnya, Karabakh....*

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Pristina—Several articles in the latest issue of the Pristina weekly ZERI have raised the autonomous status that Kosovo enjoyed under the 1974 Constitution as a topical subject.

This is the first time in more than four years that an Albanian publication has advocated a solution contrary to the "independent state" of Ibrahim Rugova.

Agreeing that "a bird in the hand is better....," ZERI concludes that "Tito's formula is more acceptable to Kosovo than the United States' confused positions on resolving the Kosovo question."

The interpretation by analysts in Pristina is that this "test balloon" is intended to "check the pulse" of the leadership of the Democratic Alliance of Kosovo [DSK], the largest political party of Albanians.

DSK leader Rugova constantly tries to convince whom-ever he is speaking to that some sort of "republic of Kosovo," open to Serbia and Albania, is the "optimal demand to which Albanians can agree."

In ZERI's view, recent events, not only in the Balkans but also in the Caucasus and elsewhere, show that "Tito's formula" for Kosovo is in fact a solution that presents itself today for many similar delicate situations in centers of crisis (Lebanon, Palestine, Chechnya, Karabakh).

According to the weekly's interpretation, Kosovo too is returning to the challenge of recreating the position that it had under the 1974 Constitution, but this time with supposedly "international guarantees."

But because the DSK rejects the very mention of "autonomy" as an unacceptable solution, journalist Shkellzen Maliqi remarks in ZERI that "Albanian political circles do not have a concrete proposal for how to avoid such a challenge."

"What would be the formula and content of a more active policy that would effect a change of the plans that even now are being prepared in the big offices of the world?" Maliqi asks.

Some Albanian analysts now openly acknowledge that the Kosovo problem has been "marking time" for five years now and that the Albanians' political movement incarnated by Rugova's group is in crisis. That crisis was

especially evident in the middle of last week and was mostly provoked, in ZERI's view, by the installation of "an irrational form of democracy that some call anarchy."

Vojvodina

Vojvodina Hungarians Amend Autonomy Concept
AU1303163195 Budapest NEPSZABADSAG in Hungarian 13 Mar 95 p 3

[Report signed "A.I.": "VMDK's New Autonomy Concept"]

[FBIS Translated Text] The Democratic Union of Vojvodina Hungarians [VMDK] held its annual general meeting behind closed doors in Szabadka [Subotica] on 11 March. The participants accepted the VMDK's amended autonomy plan and expelled some members who had joined the Vojvodina Hungarian Federation formed in June 1994.

Speaking about the modernized document, VMDK Chairman Andras Agoston said that the basics of the original document had been kept but a national minority local government on a personal, rather than territorial, basis has become dominant. This is intended to help preserve the Vojvodina Hungarians' sense of identity, and only deputies elected by Hungarians would participate in it.

The personally oriented main organization of local government would be the Assembly of Vojvodina Hungarians, which would consist of two councils—the Council of Personal Autonomy and the Political Council—and would have an executive body, namely the Executive Committee. The goals of personal autonomy are to express and represent the basic interests of the Vojvodina Hungarians and assert their educational, cultural, information, and other community rights.

In Agoston's view, this model could be a good basis for creating a solution that is acceptable to the Serbian authorities and the Vojvodina Hungarians. Therefore, talks will soon be started with Belgrade. The Hungarian Government will receive the autonomy concept and, in accordance with the government program, it will be asked to represent the VMDK's autonomy goals in the international political arena.

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 382
MERRIFIELD, VA.

This is a U.S. Government publication produced by the Foreign Broadcast Information Service (FBIS). Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

FBIS collects, translates, disseminates, and analyzes foreign open-source information on behalf of the U.S. Government. Its publications may contain copyrighted material. ***Copying and dissemination is prohibited without permission of the copyright owners.***

- Bracketed indicators before the first sentence of each item describe the way in which the material was processed by FBIS.
- Headlines and all bracketed explanatory notes are supplied by FBIS.
- Personal and place names are rendered in accordance with the decisions of the U.S. Board on Geographic Names as adapted by FBIS. Unverified names in radio and television material appear in parentheses and are spelled phonetically; words and phrases in parentheses preceded by a question mark are unclear in the original and deduced from context.

SUBSCRIPTION INFORMATION

U.S. Government Customers

For a list of FBIS products, to subscribe to an FBIS publication, or to indicate a change of address contact:

FBIS
P.O. Box 2604
Washington, DC 20013-2604
Telephone: (202) 338-6735
FAX: (703) 733-6042

Non-Government Customers

Subscriptions are available from the National Technical Information Service:

NTIS
5285 Port Royal Road
Springfield, VA 22161
Telephone: (703) 487-4630
FAX: (703) 321-8547

New subscribers should expect a 30-day delay in receipt of the first issue.